

EDUCATION & LABOR COMMITTEE

Congressman George Miller, Chairman

Strengthening America's Middle Class

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Chairman Hinojosa Statement at Hearing on “Paying for a College Education: Barriers and Solutions for Students and their Families”

WASHINGTON, D.C. – *Below are the prepared remarks of U.S. Rep. Rubén Hinojosa (D-TX), chairman of the House Subcommittee On Higher Education, Lifelong Learning, and Competitiveness, for a subcommittee hearing on “Paying for a College Education: Barriers and Solutions for Students and their Families.”*

Good Afternoon. Welcome to the subcommittee’s third hearing on the reauthorization of the Higher Education Act.

In our first hearing, we discussed how the United States is falling behind in producing college graduates. Our current investments in higher education are not on the scale we need to educate enough of our people to remain globally competitive.

In our second hearing, we discussed how well we are preparing low-income and first generation students for college. Although we learned that we have some very effective programs such as TRIO and GEAR UP, they only reach a small fraction of the population that qualifies for the programs. Again, we are falling short.

Today, we will focus on the core mission of the Higher Education Act – removing financial barriers to college. Again, the evidence shows that our national investment is insufficient and costs us tens of thousands of potential college graduates every year.

In this weekend’s New York Times, there was an article on “the A-B-C’s of Calculating Financial Aid.” An entire industry has arisen around helping those who have the means to do so negotiate their financial aid packages.

What happens to the students from low- and middle-income families? What happens to minority students who are still under-represented on our college campuses?

At our flagship public institutions and our selective private institutions, they just are not there. A recent analysis by Postsecondary Education Opportunity found that while in the 2005-2006 academic year, 36.9 percent of resident undergraduate students were eligible for Pell grants, only 15.9 percent of students in the top 50 public institutions and only 9.7 percent of students at the top private institutions were Pell Grant recipients.

We are asking low-income and minority families to shoulder an increasingly unbearable financial burden for college.

The advisory committee on student financial assistance reported that between 2000 and 2004 the net price at a four-year public college rose from 75 percent to 87 percent of family income for the lowest income families. Students from low-income families bear a work-loan burden of over \$10,000 to attend a public university.

Post Secondary Opportunity analyzed college affordability by race and income and found, “The net price to the family as a share of family income is the greatest for blacks, Asians and Hispanics and least for white and other race students and their families.” Additionally, a report by Excelencia in Education found that Latinos received the smallest financial aid packages compared to all other groups.

It should come as no surprise that many families see these barriers as insurmountable. The advisory committee estimates that over the next decade we will lose between 1.4 and 2.4 million college qualified students who will fail to enroll because of financial barriers.

This reauthorization of the Higher Education Act is our opportunity to remove these financial barriers.

We started with H.R. 5 to reduce the student loan interest rate. We provided the first increase in 4 years to the maximum Pell Grant. But we must do more.

I would like to thank the witnesses for providing testimony today and for helping us identify ways we can remove the financial barriers to college.

Thank you and I now yield to the Ranking Member Ric Keller of Florida for his opening remarks.

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