

# Higher Education Act

## Increasing Lending Fairness and Access to Higher Education



NAGPS Legislative  
Concerns Committee

### We urge you to amend the Higher Education Act to:

**Reinstate the subsidized Stafford loan for graduate and professional students**

**Unify undergraduate and graduate borrowing rates to reverse current inequalities**

**Lower the caps on student loan interest rates to 6.8% (their previous cap) from 9.5% and 10.5%**

**Expand the creation and use of Open Educational Resources**

## Why Students Need a Change

**Graduate and professional students face more than triple the debt of undergraduate students on average** — \$54,740 cumulative borrowing compared to \$15,100 for undergraduates [1,2]. America also faces a growing need for individuals with advanced degrees to fuel our economy — jobs requiring advanced degrees are expected to grow by at least 20% by 2020 [3]. Despite this, attending graduate or professional school has become increasingly expensive in recent years with graduate students borrowing 68% more in federal loans in 2012 than in 2002 [4].

**Graduate and professional students recently lost access to subsidized Stafford loans in 2012**, making the cost of education higher and potentially deterring qualified individuals from seeking advanced degrees. Additionally, a recent student loan law (H.R. 1911), raises the cap on graduate loans to 9.5% and PLUS loans to 10.5%, which would significantly raise the cost of borrowing for students and families. This law also, for the first time, specifically creates unequal borrowing rates for graduate and undergraduate students.

**Graduate and professional students face the burden of rising cost of textbooks** both as students and as teachers of undergraduate courses. The GAO found that college textbook prices jumped 82% between 2002 and 2012 and that existing measures cannot fully solve the problem [6]. With today's technology, textbooks should be getting less expensive, not more. Open Educational Resources (OER) are digital textbooks and other materials licensed for free. Expanding the creation and use of OER can reduce the burden of textbook costs and make higher education more affordable.

# \$54,740

average cumulative  
borrowing for graduate  
and professional students  
2007-2008 [1]

# \$15,100

average cumulative  
borrowing for  
undergraduate students  
2007-2008 [2]

# \$53,888

estimated additional  
cost to a graduate  
student with a  
\$100,000 loan if the  
9.5% cap is reached  
compared to the  
previous 6.8% cap [5]

# 82%

percent increase  
in textbook prices  
2002-2012 [6]

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## References

[1] National Center for Education Statistics. 2011 Tables and Figures: Digest of Education Statistics: Table 362. Data available at:

[http://nces.ed.gov/programs/digest/d11/tables/dt11\\_362.asp](http://nces.ed.gov/programs/digest/d11/tables/dt11_362.asp)

[2] National Center for Education Statistics. 2011 Tables and Figures: Digest of Education Statistics: Table 357. Data available at:

[http://nces.ed.gov/programs/digest/d11/tables/dt11\\_357.asp](http://nces.ed.gov/programs/digest/d11/tables/dt11_357.asp)

[3] The Bureau of Labor Statistics. 2010-2020 Projections Overview. Available at:

<http://www.bls.gov/ooh/About/Projections-Overview.htm#educationandtraining>

[4] The College Board. Trends in Student Aid 2012. Available at:

<http://advocacy.collegeboard.org/sites/default/files/student-aid-2012-full-report.pdf>

[5] Senator Barbara Boxer (D-CA). Floor speech on July 24, 2013. Available at:

<http://www.boxer.senate.gov/en/press/videos/072413.cfm>

[6] Government Accountability Office. 2013. College Textbooks: Students Have Greater Access to Textbook Information. Available at:

<http://www.gao.gov/products/GAO-13-368>