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**Federal Higher Education Act will affect college accessibility and affordability**  
*Colorado's CollegeInvest evaluates law's wide-ranging impact on paying for college*

College students may be impacted by the new federal Higher Education Opportunity Act signed into law by President Bush in August.

The reauthorizing Higher Education Act addresses a broad spectrum of issues affecting how students and families pay for college, according to CollegeInvest, Colorado's not-for-profit higher education financing resource.

"We know that families have a lot of questions about how to pay for college so it's worthwhile to become familiar with some of the key elements of the law," said Dr. Janet Gullickson of CollegeInvest

Some of the wide-ranging law's key provisions include the following.

**Streamlining the Federal Financial Aid Application**

In an effort to make college more accessible and affordable, the law aims to streamline the federal student aid application process, particularly for low-income students and their families.

The seven-page Free Application for Federal Student Aid -- known as the FAFSA -- has been authorized to be simplified into a two-page EZ-FAFSA for low-income students and their families. The seven-page form is planned to be phased out for all students within five years.

The changes are welcome, according to Gullickson. "The more manageable application should make the financial aid process less daunting for thousands of Colorado families," she said. "Completing the FAFSA is an important first step towards getting financial aid. CollegeInvest will continue to encourage and assist students and families at all income levels complete the FAFSA through our statewide outreach program."

**Expanding College Access and Financial Aid Opportunities**

To help students pay for college, the Higher Education Act authorizes an increase in the maximum Pell Grant amount and allows students to receive those funds year-round rather than just during the traditional academic year. However, although the increased funding would be a welcome and needed step toward assuring that low-income students will be able to afford college, Gullickson points out that authorization for these amounts doesn't guarantee their funding by Congress.

In addition to enhancing the Pell Grant program, the new law also includes several provisions to make more resources and federal financial aid available to students from low-income families

and historically underserved populations, as well as students with disabilities and homeless students and those in foster care.

The legislation also expands funding for the federal TRIO and GEAR UP programs aimed at ensuring that high school graduates from disadvantaged backgrounds are prepared for college and able to understand the financial choices they face.

### **Keeping College Affordable**

In an attempt to hold rising tuition rates in check, the Higher Education Act provides incentives for states to maintain a consistent and steadily increasing level of funding for public higher education so that institutions do not need to make up shortfalls by increasing tuition. Colleges and universities, for their part, are required to report their operating costs and explain their reasons for raising tuition. Additionally, to help students struggling with the high cost of textbooks plan their expenses each semester, colleges must publish textbook prices for each class in their online course catalogs.

### **Student Loan Forgiveness**

The new law also provides forgiveness of federal loans for graduates who begin careers in certain high-demand service-oriented professions. This provision complements CollegenInvest's existing Loan Incentive For Teachers (LIFT) Program, which provides generous loan forgiveness each year to Colorado teachers who enter high-demand fields.

### **About CollegenInvest**

CollegenInvest is a not-for-profit division of the Colorado Department of Higher Education that can help students and their families understand how the new federal Higher Education Act affects their college plans. Since 1979, CollegenInvest has helped more than half a million families break down the financial barriers to college by providing expert information, simple planning tools, scholarships, college savings plans, and low-cost student and parent loans. For more information, visit [www.collegeinvest.org](http://www.collegeinvest.org) or call 1-800-448-2424 or contact your financial advisor.

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