

Edwards Announces New Plan to Eliminate FFEL

By Brooke Heath

Recently, U.S. Senator John Edwards (D-NC) publicized his new plan that would require all students to borrow directly from the Department of Education. The prospective presidential candidate hopes to eliminate the Federal Family Education Lending (FFEL) Program in order to make college more affordable for more students.

According to Higher Education Washington, Inc.'s *NewsLine*, Senator Edwards states that his plan to get rid of federal subsidies for banks that provide student loans would leave almost \$6 billion per year that would make college more attainable.

Senator Edwards said, "Banks that make student loans receive large federal subsidies and a guarantee against default. However, millions of students have borrowed directly from the U.S. Department of Education, receiving loans that have very similar terms but are far less expensive for taxpayers."

According to the fact sheet on the senator's website, "overhauling the student loan program" is just one of the initiatives that Edwards hopes to implement with his College Opportunity Agenda. Other initiatives include:

- creating a national "College for Everyone" initiative.
- lowering the costs of college.
- simplifying the Free Application for Federal Student Aid (FAFSA).
- giving students the tools they need to apply for college and aid.
- helping students better prepare for college.

"In America, every child should be able to go as far as his God-given talents and hard work will take him," Edwards said. "As the first in my family to go to college, I know that our system of public education should be our sturdiest ladder of opportunity."

He continued, "The chance to go to college meant everything in my life, and I want every young person to have the same chance. Unfortunately, for too many families, this chance is out of reach. College for Everyone will open the door to a higher education for millions of young people so they have the opportunity to realize the American Dream. Every young person who is willing to work hard should have the chance to get an education and get ahead."

Fellow senator and presidential hopeful Barack Obama (D-IL) announced that he too has created a proposal to eliminate federal subsidies for banks that provide student loans. He plans to outline his plan this week for reporters via conference call.

According to Higher Education Washington, Inc.'s *NewsLine*, Senator Obama released a statement saying, "The system needs to be fixed. We shouldn't be providing billions in taxpayer-funded giveaways to private banks. We should be providing an affordable, accessible college education to every American."