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Senator John Edwards has announced a plan to make higher education more affordable for millions. His College Opportunity Agenda lays out a national “College for Everyone” initiative. The proposal would cover one year of tuition, fees, and books for students who attend public colleges and who show willingness to work hard. Edwards’ agenda also provides students with the necessary tools to apply to college and obtain financial aid. It calls for simplification of the FAFSA, encourages states and institutions to maintain low tuition rates, and strengthens high school curricula in order to prepare students for college. Edwards also plans to do away with the FFEL program, which would allow students to bypass banks and go directly to the Department of Education for their borrowing needs. According to Edwards, the elimination of bank subsidies would leave about \$6 billion per year that could be utilized to make higher education more affordable.

McKeon and Keller concerned about budget process for changes to Direct Loan program

Senior Republican Member of the Education and Labor Committee Howard P. McKeon and Ranking Republican Member of the Higher Education, Lifelong Learning, and Competitiveness Subcommittee Ric Keller wrote a letter to members of the House Committee on the Budget. The letter expresses concern over the budget process to be used to instigate changes in favor of the Direct Loan student aid program. In the letter, McKeon and Keller state that the method being considered would subvert legislative order and permit policy changes by way of a process typically reserved for deficit reduction.

Enzi introduces Student Financial Aid Data Privacy Protection Act

Senator Mike Enzi, Ranking Member of the Senate Health, Education, Labor, and Pensions (HELP) Committee has introduced the Student Financial Aid Data Privacy Protection Act. Enzi’s move is aimed at protecting the private information of student loan borrowers and their families compiled by the Department of Education. It requires the department to create protocol that limits access to the National Student Loan Data System (NSLDS), which is used by students, institutions, lenders, and guarantee agencies. The bill is co-sponsored by senators Lamar Alexander, Richard Burr, Johnny Isakson, Pat Roberts, and Wayne Allard.

Democratic Congressional leaders reach agreement on 2008 budget proposal

Democrats in Congress have reached an agreement on a budget proposal for the 2008 fiscal year. The \$2.9 trillion budget plan promises a budget surplus in five years and clearly indicates that the Democrats are bent on altering the Higher Education Act. The Democratic plan would introduce legislation that would cut off financial support for student loan providers and utilize the savings to provide financial aid for students. The proceeds could be used to increase the maximum Pell Grant and slash interest rates on student loans. The budget resolution includes an increase in discretionary funding for education and training that is \$9.5 billion greater than the increase requested by the president.