

(April 17, 2008) Lipinski Helps Pass Bill to Increase Students' Access to Financial Aid

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Legislation Increases Student Loan Limits and Provides Greater Repayment Flexibility

[Washington, D.C.] Today, Representative Dan Lipinski (D-IL) helped the House of Representatives pass H.R. 5715, the Ensuring Continued Access to Student Loans Act of 2008. The bill will help ensure that students and parents have continued access to financial aid for college costs, despite current turmoil in the U.S. credit market.

"As a former college professor, I know how vital a college education is and I am committed to ensuring our students and families have access to federal financial aid that is critical to paying for that education," said Rep. Lipinski. "This new legislation, along with the federal loan safeguards that already exist, will help ensure that students and families will continue to be able to access the low-cost loans they need for college, regardless of the state of credit markets."

Specifically, H.R. 5715 increases the annual loan limits on federal unsubsidized student loans by \$2,000 for all students, and increases the aggregate loan limits (the total loan limit over the course of a student's education) to \$31,000 for dependent undergraduates and to \$57,500 for independent undergraduates. It also gives parents the option to defer repayment until up to six months after their children leave school, giving families more flexibility in hard economic times.

In addition, the bill addresses those families suffering from the effects of the mortgage crisis. The legislation helps struggling homeowners pay for college by making sure that short-term delinquencies in mortgage payments do not prohibit otherwise eligible parents from being able to borrow parent PLUS loans, making it possible for parents who are being strained by the current housing market to secure loans for their children.

"Making college more affordable is particularly important at a time when the costs of attending college continue to skyrocket," said Rep. Lipinski. "I am proud to have played a role in accomplishing this victory for America's middle class families, and I will continue to work to ensure that financial barriers do not prevent qualified students from pursuing higher education."

