

**WASHINGTON, DC** – Congressman Joe Courtney today introduced new legislation to help students and their families gain more information about their financial aid options for higher education and a truer picture of actual college costs. The Understanding the True Cost of College Act, which already has 11 cosponsors, would ensure that students and their families receive award letters in a standard format with understandable language and easy-to-understand terms.

“For many college-bound students, the hardest part of the process is no longer getting into college, but figuring out how to pay for it,” **said Congressman Courtney**. “With college costs having grown exponentially in recent decades, determining what financial aid an institution has provided and how much a student can and is willing to pay can be a difficult process with long-term financial impacts. Students and their families are faced with complicated financial questions, exacerbated by financial aid letters that can be difficult to understand. This legislation would simplify the process, and help students and families better understand documents that can affect them for decades.”

Courtney’s legislation mirrors S. 3244 – a bipartisan bill introduced in the U.S. Senate earlier this year by Sen. Al Franken of Minnesota. It would require colleges to create a uniform financial aid award letter and include standard terms and disclosures in the letter. The legislation also requires the letters to include key items such as: cost of attendance, the amount of aid students do not have to repay such as grants, the net cost after subtracting grant aid, work study, federal student loans, disclosures related to private student loans, and cohort default rates at the institution.

The Franken bill and broader effort have been the subject of a number of recent news and opinion pieces including a [column](#) last week by Gail Collins in *The New York Times*:

## The Lows of Higher Ed

By [GAIL COLLINS](#)

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Welcome back, college students! Always nice to see you.

Although we are sort of worried by those bleak stories about student debt, which suggest a lot of you may graduate owing a ton of money and unqualified to do anything more remunerative

than selling socks.

This year, Newsweek cheerfully welcomed the Class of 2016 by asking, “Is College a Lousy Investment?” And [in The Times](#), Andrew Martin reported that the Department of Education is paying more than \$1.4 billion per annum to folks whose job it is to collect on \$76 billion in defaulted [student loans](#). “If you wait long enough, you catch people when their guard’s down,” one debt collector told Martin after garnishing the savings of a disabled carpenter.

Look on the bright side, students. Perhaps when you graduate, some of you will be able to qualify for a good job in the booming accounts receivable management industry.

Higher education is still the key to most good jobs, but the nation is starting to ask some questions about the way we finance it. Shouldn’t there be more of a match between the cost of school and the potential earning power of the graduates? Who speaks for the art history majors? And why is tuition so high, anyway? (Parents, if your kid is planning to take out student loans, you might want to avoid any college where the dorm rooms are nicer than your house.)

“People don’t believe much any more about the altruistic motives of colleges and universities,” sadly noted Pat Callan of the Higher Education Policy Institute.

Not without some reason. In his reporting, Martin uncovered a newsletter aimed at college admissions officers that advised them to avoid using “bad words” such as “cost” or “pay” in their admissions materials. Instead, it suggested: “And you get all this for ...”

In Washington, Congress is holding hearings! The Senate Health, Education, Labor and Pensions Committee is considering a bill — co-sponsored by Democrat [Al Franken](#) and Republican Charles Grassley — that would require all schools to fill out the same form telling the student loan applicants useful facts like exactly how much per month they’ll be forking over when they start paying.

That would be the superminimum, right? How amazed are you that this isn’t happening already?

“Some of the packages don’t delineate what’s a grant, what’s a scholarship, what’s a loan,” said Franken. “And the information all comes in an award letter, so you’re thinking: Award!”

The Obama administration, which can’t do much about this without Congress, has been working to get the schools to voluntarily adopt a “shopping sheet” that would provide clear basic information so students could compare different schools’ financing before making a choice. “We’ve been encouraged by the feedback from the higher-ed sector,” one of the experts working on the program said. “I think we have 100 individual colleges and universities.”

The good news is that controlling college costs really does seem to be an administration priority. The bad news is that there are more than 4,000 colleges and universities.

People, don’t you think young adults should get the clearest, most easy-to-compare information conceivable before they sign a huge, life-changing loan deal? Don’t you think there should be somebody in charge of calling them up once a week and yelling: “Eight hundred dollars a month until you’re 51 years old!”

Maybe I’m underestimating the ability of teenagers to make serious, well-thought-out decisions about their higher education. All I can tell you is that when I was 21 years old, I signed up to go to graduate school at the University of Massachusetts because I had always wanted to live in Boston. I had no idea the main campus was on the other side of the state until I got there.

Franken is hoping the Senate might take up his proposal next year. I presume you weren’t expecting anything sooner. Congress can’t even get it together to keep the Postal Service from defaulting. And the Senate leaders admitted the other day that they’re not going to be able to pass a bipartisan bill to legalize Internet gambling on poker, which seems to be a really high priority for some important people. If they can’t do poker, they are not going to get to student loan transparency.

The House is planning hearings on student loans, too. The chairwoman of the subcommittee assigned to this task is Representative Virginia Foxx, a North Carolina Republican who once said that she worked her own way through college and had “little tolerance” for people who

complain about their huge student loan debts.

“New ideas to advocate for financial aid transparency are always welcome in this discussion,” Foxx said in an e-mail on Friday. “But we have to question whether the federal government’s dictating the terms of every college and university’s financial aid communications will actually achieve the desired results.”

So maybe a little less sense of urgency there.

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