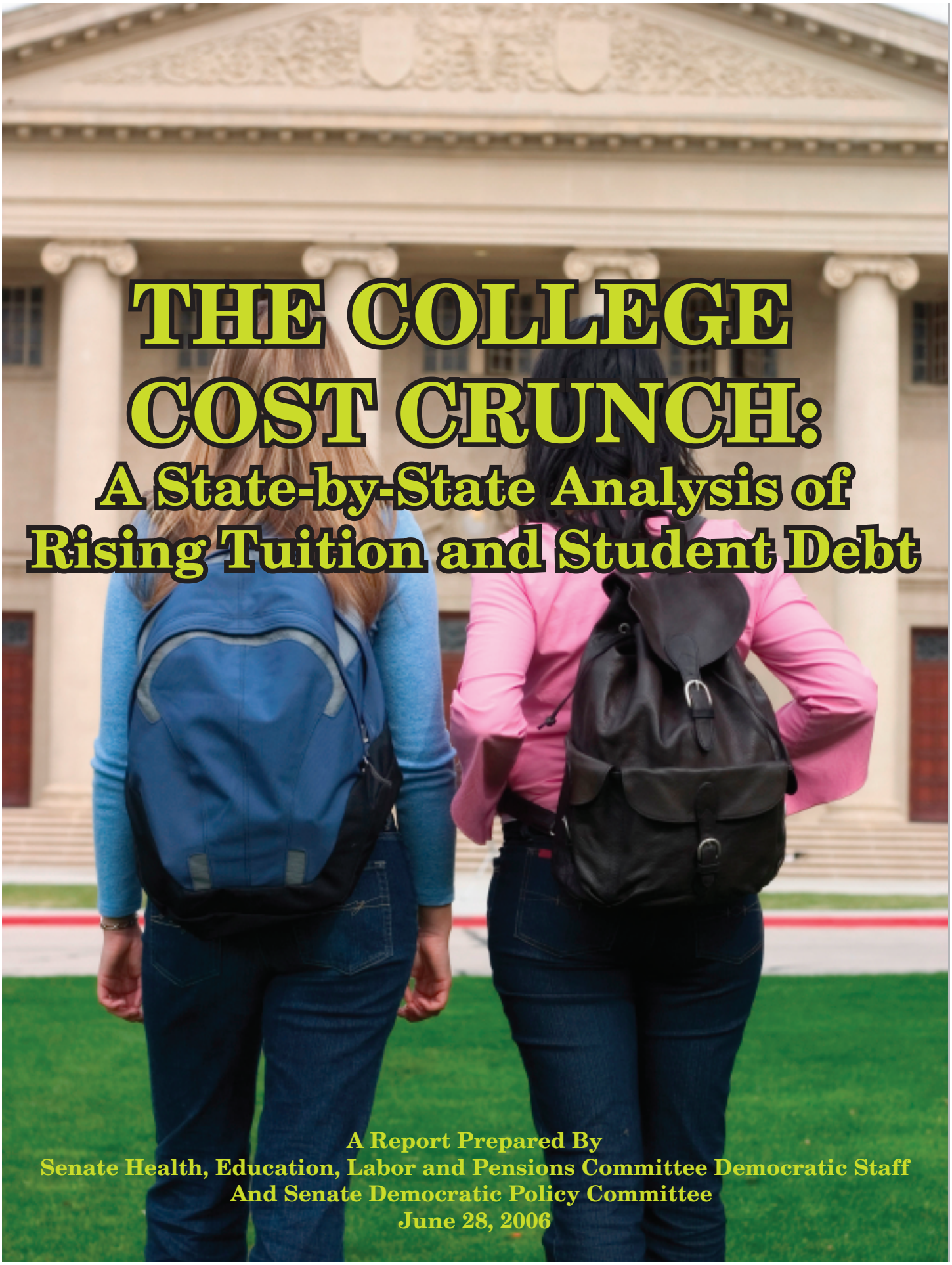
THE COLLEGE COST CRUNCH:

A State-by-State Analysis of Rising Tuition and Student Debt



A Report Prepared By
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The College Cost Crunch: A State-by-State Analysis of Rising Tuition and Student Debt

Federal student aid has not kept pace with the rising cost of attending college. As a consequence, students and parents have been forced to rely more heavily on loans to finance higher education. Now, with interest rates rising by nearly two percentage points, paying off student loans will become even more difficult. The prospect of high student loan debt can deter qualified students from pursuing or completing a college education. And for those who do graduate from college, studies show that increasing student debt is affecting professional and personal decisions, such as what career to pursue or when to buy a home. If America is to remain a land of opportunity, we must ensure that college is affordable for all and that the pursuit of higher education is determined by one's ability and hard work, not by one's bank account.

College Education: More Important, More Expensive

A college education is more important than ever in ensuring success in our increasingly competitive economy. It improves one's chances of being employed, having higher earnings, and entering the middle class. People with a bachelor's degree earn over 62 percent more on average than those with only a high school diploma. Over a lifetime, the gap in earning potential between a person with a high school diploma and a bachelor's degree is more than $1 million. (College Board, 2005)

But while a college education has become more important to economic success, the cost has become an even greater barrier to getting a degree. The cost of attending a public four-year college increased 32 percent between the 2000-2001 and 2004-2005 school years. The cost of attending a private four-year college also has risen considerably – a 21 percent increase – and has reached nearly $26,500 a year. (U.S. Department of Education, Digest of Education Statistics, 2001 and 2005) Over the same period, median family income increased less than six percent. (U.S. Census Bureau, Historical Income Tables) After financial aid is taken into account, 28 percent of the average family income is required to pay for annual college expenses at a public four-year college. (The National Center for Public Policy and Higher Education, Measuring Up 2004)

Paying for College: A Shift from Grants to Loans

The federal government has long recognized the personal and public benefits of making college affordable. The federal Pell Grant program, which is the nation's largest need-based grant program, has proven to be indispensable for millions of students who might not otherwise have had the financial resources to pursue a college degree. But the maximum federal Pell Grant award has not kept pace with the rising cost of attending college. While the maximum Pell Grant covered 51 percent of the cost of tuition, fees, room and board at a public four-year college during the 1986-1987 school year, it

covered only 35 percent of those costs in 2004-2005. (Analysis of Department of Education data)

Without adequate federal grants, students and their parents have had to rely increasingly on student loans to finance their college educations. More students are borrowing, and borrowing larger amounts, than ever before. The percentage of undergraduates at four-year colleges taking out loans has risen to over 60 percent, and the average amount of federal student loan debt upon graduation has increased from approximately $7,650 in 1992-1993 to $17,400 in 2003-2004. When private loans are factored in as well, average student loan debt in 2003-2004 was over $19,000. (National Postsecondary Student Aid Study 1993 and 2004, National Center for Education Statistics[†])

While the amount of student loans has grown over time, the impact has been moderated in recent years by historically low interest rates. Students have minimized the effects of high debt by consolidating loans at low, fixed rates. But interest rates for Stafford loans have risen substantially over the past two years, increasing from 3.4 to 5.3 percent last year and will be rising again on July 1 – to 7.14 percent for outstanding loans and 6.8 percent on new loans. (Congressional Research Service) As a result, loan payments will be considerably higher for students taking out new loans and for those who did not consolidate their loans in recent years.

Student Debt's Impact on Attending and Completing College

Regrettably, the opportunity of a college education is not available to all qualified students. The high cost of attending college, combined with insufficient grant aid, can price students out of a college education. Even with student loans and work-study programs, students can be confronted with thousands of dollars of unmet financial need that they simply cannot afford to pay. After all aid, loans and work are taken into account, the lowest income students still face nearly $5,800 in unmet need. (Business Higher Education Forum, 2005) Consequently, each year, more than 400,000 low- and moderate-income high school graduates who are fully prepared to attend a four-year college do not do so because of financial barriers. About 170,000 of these students will attend no college at all. (Advisory Committee on Student Finance Assistance, June 2002)

The need to take out student loans can also cause students to delay starting school, prevent them from attending a more expensive college, or prevent students who begin college from graduating. Students who attempt college but leave without a degree can become burdened with an unmanageable student loan debt. About 18 percent of people who leave school without completing a degree borrow more than $20,000. (Nellie Mae Corporation, February 2003)

Student Debt's Impact on Post-Graduate Decisions

Large student debt also affects career and life decisions after graduation. A new study examined the burden of student loan debt on people who would like to pursue public service careers such as teaching and social work – careers that are low-paying yet essential to America's future and to the communities in which we live. It found that 23

percent of public college graduates and 38 percent of private college graduates would have an unmanageable level of student debt if they were to live on the salary of a starting teacher. The outlook is even bleaker for social work. Student debt would be unmanageable for 37 percent of public college graduates and 55 percent of private college graduates living on the salary of a starting social worker. (State PIRGs' Higher Education Project, April 2006)

The most recent National Student Loan Survey has found that student debt can affect other major life decisions. For the first time in fifteen years, the survey found that the probability of owning a home decreases as student debt levels increase. While student debt is not the primary determinant of home ownership, the survey found that an additional $5,000 of debt reduces the probability of owning home by about one percent. The survey also measured the perceived impact of student loan debt and found that 30 percent of respondents said they delayed buying a car because of student loan debt, 21 percent said they delayed having children because of student loan debt, and 14 percent said they delayed getting married because of student loan debt. (Nellie Mae Corporation, February 2003)

Budget Reconciliation: A Missed Opportunity to Expand College Affordability

At the end of 2005, federal lawmakers were presented with a realistic opportunity to address college affordability. It was proposed that Congress could reduce excessive subsidies going to student loan lenders and use those savings to substantially increase need-based aid to all students eligible for Pell Grants. But the Republican-controlled Congress had other priorities. Instead of increasing grants to all Pell-eligible students, Republicans stripped $12 billion from the student loan program and used it to offset more tax breaks for the wealthy instead of more aid for students. Only a very small amount of additional savings went to student aid. This new aid program is so restrictive that the Congressional Budget Office estimates that less than ten percent of Pell eligible students will receive additional grant aid this year. To make matters worse, in the same bill, Congress also increased interest rates for PLUS loans to parents, from the previously-scheduled fixed rate of 7.9 percent to 8.5 percent.

A Need for a New Direction on College Affordability

Democrats recognize that students and their families are struggling to cover the rising cost of college and are making college affordability a top priority. Specifically, Democrats propose to:

- **Cut student loan costs and make payments manageable.** Because interest rates on new Stafford loans are set to rise to a fixed 6.8 percent on July 1, current college students will eventually have higher monthly debt payments than graduates who were able to consolidate their student loans at low fixed rates in recent years. Democrats support efforts to make student loans affordable, such

as lowering interest rates or expanding options to limit loan payments to a specified percentage of the borrower's income.

- **Expand Pell Grants.** President Bush still has not followed through on his six-year-old campaign promise to increase the maximum Pell Grant to $5,100. Under his budget proposal for Fiscal Year 2007, the maximum Pell Grant would remain at $4,050 – where it has been frozen for the past four years, despite skyrocketing tuition and fees. Democrats are committed to raising the maximum Pell Grant award to $5,100.

- **Make college tuition deductible from taxes.** The Republican-controlled Congress allowed a popular tax deduction for college tuition to expire at the end of 2005. In 2003, over 3.4 million Americans benefited from this tax deduction. Preliminary data from the Internal Revenue Service shows that in 2004, 4.7 million took advantage of the deduction, which allowed qualified taxpayers to deduct up to $4,000 in tuition and fees from their taxable income. Republicans chose to include capital gains and dividends tax breaks – but not the college tuition tax deduction – in the tax reconciliation conference report approved earlier this year. Democrats support extending this tax deduction this year so taxpayers can benefit from it when filing their 2006 tax returns and have proposed increasing the deduction to $12,000. Democrats also support expanding access to the Hope and Lifetime Learning tax credits for qualified postsecondary education expenses.

[†]1992-1993 figure revised since original publication to reflect most comparable data available.

Examining How States Are Affected by Rising Tuition and Student Debt

Rising tuition and student loan debt is a national problem. No state has escaped the college cost crunch. But individual states have been affected to different degrees. This report provides information on the college affordability problem in each state as well as how students and their families in each state would benefit from Democratic proposals. The following tables and individualized state reports provide information for each state on:

- The rising cost of college;
- The erosion of the value of the Pell Grant;
- The amount of student loan debt incurred by college graduates;
- The amount of family income needed to pay for college;
- The amount of savings if student loan interest rates were cut in half;
- The reduction in monthly costs if student loan payments were capped at 15 percent of a borrower's discretionary income;
- The increase in the average Pell Grant award and the number of students eligible if the maximum Pell Grant were increased to $5,100; and
- The number of students and families who are likely to benefit from re-instituting the college tuition tax deduction, which expired at the end of 2005.

The Rising Cost of College Threatens Access to a Degree

Tuition, Fees, Room & Board at Public Four-Year Institutions

State	2000-2001[1]	2004-2005[2]	State	2000-2001	2004-2005
Alabama	$7,338	$9,819	**Montana**	$7,607	$9,867
Alaska	$8,386	$9,936	**Nebraska**	$7,335	$10,704
Arizona	$7,872	$10,863	**Nevada**	$8,252	$10,464
Arkansas	$6,789	$8,734	**New Hampshire**	$11,717	$14,651
California	$9,592	$13,356	**New Jersey**	$11,998	$16,349
Colorado	$8,360	$10,243	**New Mexico**	$7,085	$8,675
Connecticut	$10,512	$13,824	**New York**	$10,254	$12,441
Delaware	$10,290	$13,353	**North Carolina**	$7,080	$9,450
District of Columbia[3]	$2,070	$2,070	**North Dakota**	$6,405	$9,011
Florida	$7,944	$9,335	**Ohio**	$10,449	$15,256
Georgia	$7,455	$9,439	**Oklahoma**	$6,000	$8,451
Hawaii	$8,286	$9,131	**Oregon**	$9,397	$12,177
Idaho	$6,763	$9,066	**Pennsylvania**	$11,087	$14,771
Illinois	$9,533	$12,803	**Rhode Island**	$11,104	$13,541
Indiana	$9,232	$12,240	**South Carolina**	$9,065	$12,165
Iowa	$7,589	$11,541	**South Dakota**	$6,979	$8,944
Kansas	$6,650	$9,397	**Tennessee**	$7,661	$9,445
Kentucky	$6,921	$9,400	**Texas**	$7,634	$10,233
Louisiana	$6,304	$7,973	**Utah**	$6,623	$8,348
Maine	$9,361	$11,826	**Vermont**	$12,836	$15,658
Maryland	$10,846	$14,108	**Virginia**	$8,744	$11,616
Massachusetts	$9,206	$13,687	**Washington**	$8,917	$11,902
Michigan	$9,841	$12,658	**West Virginia**	$7,287	$9,450
Minnesota	$8,146	$11,958	**Wisconsin**	$7,385	$9,872
Mississippi	$7,181	$9,019	**Wyoming**	$7,017	$8,514
Missouri	$8,201	$11,356	**United States**	$8,655	$11,441

[1] National Center for Education Statistics, "Digest of Education Statistics 2001"
[2] National Center for Education Statistics, "Digest of Education Statistics 2005"
[3] Figure Includes Tuition and Fees Only

The Rising Cost of College Threatens Access to a Degree

Tuition, Fees, Room & Board at Private Four-Year Institutions

State	2000-2001[4]	2004-2005[5]	State	2000-01	2004-2005
Alabama	$14,248	$17,520	**Montana**	$14,298	$17,918
Alaska	$14,378	$21,423	**Nebraska**	$16,381	$19,725
Arizona	$14,935	$19,448	**Nevada**	$17,397	$20,594
Arkansas	$13,361	$17,040	**New Hampshire**	$24,525	$29,728
California	$24,993	$30,186	**New Jersey**	$23,860	$29,751
Colorado	$23,599	$27,361	**New Mexico**	$18,985	$19,304
Connecticut	$27,818	$33,965	**New York**	$25,171	$30,907
Delaware	$14,041	$17,368	**North Carolina**	$20,169	$24,600
District of Columbia	$27,143	$31,594	**North Dakota**	$11,392	$12,525
Florida	$19,800	$23,793	**Ohio**	$21,045	$25,594
Georgia	$19,743	$24,734	**Oklahoma**	$15,397	$19,168
Hawaii	$15,997	$17,866	**Oregon**	$23,306	$27,493
Idaho	$17,783	$11,388	**Pennsylvania**	$24,779	$30,637
Illinois	$21,941	$26,966	**Rhode Island**	$26,157	$30,907
Indiana	$21,390	$26,490	**South Carolina**	$17,583	$21,237
Iowa	$19,454	$23,012	**South Dakota**	$15,398	$18,076
Kansas	$15,627	$19,736	**Tennessee**	$18,139	$22,035
Kentucky	$14,727	$19,262	**Texas**	$16,973	$22,218
Louisiana	$22,154	$26,583	**Utah**	$8,576	$10,521
Maine	$22,689	$28,371	**Vermont**	$22,312	$27,261
Maryland	$26,034	$30,515	**Virginia**	$18,700	$23,277
Massachusetts	$28,669	$35,470	**Washington**	$21,510	$26,021
Michigan	$16,040	$19,286	**West Virginia**	$18,338	$19,067
Minnesota	$21,556	$25,946	**Wisconsin**	$20,271	$24,574
Mississippi	$13,717	$16,460	**Wyoming**	N/A	N/A
Missouri	$17,852	$21,431	**United States**	$21,907	$26,489

[4] National Center for Education Statistics, "Digest of Education Statistics 2001"
[5] National Center for Education Statistics, "Digest of Education Statistics 2005"

The Declining Purchasing Power of the Pell Grant Forces Students to Borrow More[6] (Figures Based on Public College Costs)					
State	**Percentage of College Costs of $2,100 Maximum Pell Grant in 1986-87**	**Percentage of College Costs of $4,050 Maximum Pell Grant in 2004-2005**	**State**	**Percentage of College Costs of $2,100 Maximum Pell Grant in 1986-87**	**Percentage of College Costs of $4,050 Maximum Pell Grant in 2004-2005**
Alabama	62%	41%	**Montana**	51%	41%
Alaska	53%	41%	**Nebraska**	63%	38%
Arizona	55%	37%	**Nevada**	60%	39%
Arkansas	75%	46%	**New Hampshire**	46%	28%
California	40%	30%	**New Jersey**	43%	25%
Colorado	47%	40%	**New Mexico**	58%	47%
Connecticut	49%	29%	**New York**	45%	33%
Delaware	54%[7]	30%	**North Carolina**	69%	43%
District of Columbia	N/A	N/A	**North Dakota**	67%	45%
Florida	54%	43%	**Ohio**	43%	27%
Georgia	58%	43%	**Oklahoma**	72%	48%
Hawaii	49%	44%	**Oregon**	53%	33%
Idaho	56%	45%	**Pennsylvania**	41%	27%
Illinois	47%	32%	**Rhode Island**	39%	30%
Indiana	44%	33%	**South Carolina**	50%	33%
Iowa	61%	35%	**South Dakota**	62%	45%
Kansas	60%	43%	**Tennessee**	62%	43%
Kentucky	64%	43%	**Texas**	55%	40%
Louisiana	59%	51%	**Utah**	53%	49%
Maine	46%	34%	**Vermont**	30%	26%
Maryland	39%	29%	**Virginia**	42%	35%
Massachusetts	50%	30%	**Washington**	53%	34%
Michigan	44%	32%	**West Virginia**	51%	43%
Minnesota	52%	34%	**Wisconsin**	58%	41%
Mississippi	54%	45%	**Wyoming**	62%[8]	48%
Missouri	62%	36%	**United States**	51%	35%

[6] HELP Committee calculations based on data on cost of tuition, fees, room and board at a public four-year college from National Center for Education Statistics, "Digest of Education Statistics 1988" and "Digest of Education Statistics 2005" and data on maximum appropriated Pell Grant from Congressional Research Service.

[7] Based on 1986-87 tuition, fees, room and board data from Integrated Postsecondary Education Data System

[8] Based on 1986-87 tuition, fees, room and board data from Integrated Postsecondary Education Data System

More and More Students Are Graduating from College with Huge Education Debt					
State	**Percent of Seniors Graduating with Debt[9]**	**Average Debt per Graduate[10]**	**State**	**Percent of Seniors Graduating with Debt**	**Average Debt per Graduate**
Alabama	60%	$17,277	**Montana**	69%	$16,920
Alaska	48%	$12,948	**Nebraska**	61%	$17,356
Arizona	48%	$16,089	**Nevada**	39%	$12,818
Arkansas	57%	$17,383	**New Hampshire**	64%	$21,332
California	50%	$15,340	**New Jersey**	57%	$16,450
Colorado	52%	$16,833	**New Mexico**	36%	$12,746
Connecticut	64%	$19,093	**New York**	64%	$17,594
Delaware	45%	$15,694	**North Carolina**	54%	$16,484
District of Columbia	58%	$21,675	**North Dakota**	74%	$21,331
Florida	54%	$18,574	**Ohio**	63%	$19,665
Georgia	56%	$15,337	**Oklahoma**	55%	$16,297
Hawaii	31%	$14,716	**Oregon**	63%	$18,105
Idaho	71%	$24,527	**Pennsylvania**	70%	$19,866
Illinois	58%	$16,104	**Rhode Island**	60%	$20,826
Indiana	55%	$18,506	**South Carolina**	58%	$16,734
Iowa	72%	$22,025	**South Dakota**	81%	$18,889
Kansas	61%	$16,029	**Tennessee**	47%	$19,346
Kentucky	50%	$15,579	**Texas**	53%	$16,618
Louisiana	60%	$17,531	**Utah**	45%	$11,039
Maine	62%	$18,341	**Vermont**	68%	$20,604
Maryland	49%	$15,054	**Virginia**	58%	$16,474
Massachusetts	61%	$17,353	**Washington**	54%	$17,601
Michigan	56%	$17,941	**West Virginia**	66%	$17,697
Minnesota	71%	$19,468	**Wisconsin**	62%	$16,815
Mississippi	60%	$14,534	**Wyoming**	N/A	N/A
Missouri	62%	$15,678	**United States[11]**	62%	$19,300

[9] Proportion of graduating seniors at four-year colleges and universities graduating with debt. Calculations by the Project on Student Debt at the Institute for College Access and Success from campus data available on www.economicdiversity.org. Includes only campuses reporting total debt through the Common Data Set initiative. Averages are weighted by campus enrollment.

[10] Average Debt of Graduates from Four-Year Colleges and Universities. Calculations by the Project on Student Debt from campus data available on www.economicdiversity.org. Includes only campuses reporting total debt through the Common Data Set initiative. Averages are weighted by campus enrollment.

[11] NCES, "National Postsecondary Student Aid Study 2004," compiled by Congressional Research Service. Percentage reflects percentage of graduating seniors who borrowed federal loans during undergraduate studies. Average debt level includes private loans.

Percent of Family Income Needed to Pay for One Year at a Four-Year Public College, After Financial Aid			
State Name	Percent of Average Family Income[12]	State Name	Percent of Average Family Income
Alabama	27%	Montana	31%
Alaska	21%	Nebraska	24%
Arizona	30%	Nevada	27%
Arkansas	26%	New Hampshire	32%
California	32%	New Jersey	34%
Colorado	24%	New Mexico	27%
Connecticut	29%	New York	32%
Delaware	30%	North Carolina	25%
District of Columbia	N/A	North Dakota	25%
Florida	25%	Ohio	36%
Georgia	24%	Oklahoma	23%
Hawaii	23%	Oregon	34%
Idaho	22%	Pennsylvania	35%
Illinois	30%	Rhode Island	35%
Indiana	29%	South Carolina	32%
Iowa	28%	South Dakota	23%
Kansas	23%	Tennessee	27%
Kentucky	22%	Texas	26%
Louisiana	23%	Utah	18%
Maine	34%	Vermont	41%
Maryland	29%	Virginia	26%
Massachusetts	31%	Washington	31%
Michigan	32%	West Virginia	29%
Minnesota	23%	Wisconsin	22%
Mississippi	26%	Wyoming	24%
Missouri	27%	United States	28%

[12] The National Center for Public Policy and Higher Education, "Measuring Up 2004: The National Report Card on Higher Education."

Borrowers Across the Nation Would Save Thousands from Democratic Plan to Cut Student Interest Rates			
State Name	**Savings for Average Borrower of Democratic Interest Rate Cut[13]**	**State Name**	**Savings for Average Borrower of Democratic Interest Rate Cut**
Alabama	$3,455	**Montana**	$3,384
Alaska	$2,588	**Nebraska**	$3,470
Arizona	$3,217	**Nevada**	$2,563
Arkansas	$3,475	**New Hampshire**	$4,265
California	$3,067	**New Jersey**	$3,289
Colorado	$3,366	**New Mexico**	$2,549
Connecticut	$3,818	**New York**	$3,518
Delaware	$3,138	**North Carolina**	$3,295
District of Columbia	$4,334	**North Dakota**	$4,265
Florida	$3,713	**Ohio**	$3,932
Georgia	$3,066	**Oklahoma**	$3,258
Hawaii	$2,942	**Oregon**	$3,620
Idaho	$4,903	**Pennsylvania**	$3,972
Illinois	$3,220	**Rhode Island**	$4,164
Indiana	$3,701	**South Carolina**	$3,346
Iowa	$4,404	**South Dakota**	$3,778
Kansas	$3,205	**Tennessee**	$3,868
Kentucky	$3,114	**Texas**	$3,323
Louisiana	$3,505	**Utah**	$2,208
Maine	$3,667	**Vermont**	$4,120
Maryland	$3,011	**Virginia**	$3,294
Massachusetts	$3,470	**Washington**	$3,520
Michigan	$3,587	**West Virginia**	$3,538
Minnesota	$3,892	**Wisconsin**	$3,361
Mississippi	$2,906	**Wyoming**	N/A
Missouri	$3,134	**United States[14]**	$3,859

[13] Calculations by HELP Committee staff based on interest rate cut from 6.8% fixed rate to 3.4% fixed rate and average student aid debt per graduate (Project on Student Debt at The Institute for College Access and Success calculations from campus data available on www.economicdiversity.org), assuming 10-year loan repayment.
[14] National average total student aid debt per graduate from NCES, "National Postsecondary Student Aid Study 2004," compiled by Congressional Research Service.

Democratic Plan to Make Debt Repayment Contingent on Income Would Significantly Reduce Monthly Loan Payments for Starting Teachers[15]				
State	**Starting Teachers' Salary**	**State Average Debt per Graduate**	**Reduction in Monthly Loan Payment**	**Percent Reduction in Monthly Loan Payment**
Alabama	$30,973	$17,277	$50	25%
Alaska	$40,027	$12,948	$22	15%
Arizona	$28,236	$16,089	$52	28%
Arkansas	$26,129	$17,383	$62	31%
California	$35,135	$15,340	$36	21%
Colorado	$31,296	$16,833	$48	25%
Connecticut	$34,462	$19,093	$47	21%
Delaware	$34,566	$15,694	$38	21%
District of Columbia	$38,566	$21,675	$42	17%
Florida	$30,969	$18,574	$54	25%
Georgia	$35,116	$15,337	$36	21%
Hawaii	$37,615	$14,716	$30	18%
Idaho	$25,908	$24,527	$89	31%
Illinois	$35,114	$16,104	$38	21%
Indiana	$29,784	$18,506	$56	26%
Iowa	$26,967	$22,025	$75	30%
Kansas	$28,530	$16,029	$51	28%
Kentucky	$28,416	$15,579	$50	28%
Louisiana	$29,655	$17,531	$53	26%
Maine	$25,901	$18,341	$66	31%
Maryland	$33,760	$15,054	$38	22%
Massachusetts	$34,041	$17,353	$43	22%
Michigan	$34,377	$17,941	$44	21%
Minnesota	$30,772	$19,468	$57	25%
Mississippi	$28,106	$14,534	$47	28%
Missouri	$28,938	$15,678	$49	27%

[15] HELP Committee estimates calculated using the U.S. Department of Education's "Income Contingent Repayment Plan Calculator" (http://www.ed.gov/offices/OSFAP/DirectLoan/RepayCalc/dlentry2.html), using average debt levels calculated by the Project on Student Debt at the Institute for College Access and Success from campus data available on www.economicdiversity.org. Calculations based on formula for current Income Contingent Repayment option in the Direct Loan Program (either 20% cap on income or income percentage factors); actual reduction in monthly payment resulting from Democratic proposal to cap payments at 15% of income might differ slightly from estimates provided. Democratic proposal also expands income contingent repayment option to all borrowers.

Democratic Plan to Make Debt Repayment Contingent on Income Would Significantly Reduce Monthly Loan Payments for Starting Teachers[16]				
State	**Starting Teachers' Salary**	**State Average Debt per Graduate**	**Reduction in Monthly Loan Payment**	**Percent Reduction in Monthly Loan Payment**
Montana	$24,032	$16,920	$67	35%
Nebraska	$28,527	$17,356	$55	28%
Nevada	$27,942	$12,818	$42	28%
New Hampshire	$27,367	$21,332	$71	29%
New Jersey	$37,061	$16,450	$35	18%
New Mexico	$31,920	$12,746	$35	24%
New York	$36,400	$17,594	$39	19%
North Carolina	$27,572	$16,484	$54	29%
North Dakota	$24,108	$21,331	$85	34%
Ohio	$28,692	$19,665	$62	27%
Oklahoma	$29,473	$16,297	$50	27%
Oregon	$33,396	$18,105	$47	22%
Pennsylvania	$34,140	$19,866	$50	22%
Rhode Island	$32,902	$20,826	$55	23%
South Carolina	$27,883	$16,734	$55	28%
South Dakota	$25,504	$18,889	$70	32%
Tennessee	$30,449	$19,346	$57	26%
Texas	$32,741	$16,618	$44	23%
Utah	$26,130	$11,039	$39	31%
Vermont	$25,819	$20,604	$75	32%
Virginia	$32,437	$16,474	$45	23%
Washington	$30,159	$17,601	$52	26%
West Virginia	$26,692	$17,697	$61	30%
Wisconsin	$23,952	$16,815	$67	35%
Wyoming[17]	$28,900	$19,300	$61	27%
United States[18]	$31,704	$19,300	$54	24%

[16] HELP Committee estimates calculated using the U.S. Department of Education's "Income Contingent Repayment Plan Calculator" (http://www.ed.gov/offices/OSFAP/DirectLoan/RepayCalc/dlentry2.html), using average debt levels calculated by the Project on Student Debt at the Institute for College Access and Success from campus data available on www.economicdiversity.org. Calculations based on formula for current Income Contingent Repayment option in the Direct Loan Program (either 20% cap on income or income percentage factors); actual reduction in monthly payment resulting from Democratic proposal to cap payments at 15% of income might differ slightly from estimates provided. Democratic proposal also expands income contingent repayment option to all borrowers.

[17] Wyoming debt data not available. Calculation based on U.S. average debt level.

[18] National average total student aid debt per graduate from NCES, "National Postsecondary Student Aid Study 2004," compiled by Congressional Research Service.

Democratic Proposal to Increase the Pell Grant to $5,100 Would Mean More Aid for Over Five Million Needy Students

	Award Year 2007-2008			Award Year 2007-2008			Award Year 2007-2008		
	$4,050 Max. Award (Current Services)*			$5,100 Max. Award*			Increase with $5,100 Max Award		
State Name	Aid Available	Recipients	Average Award	Aid Available	Recipients	Average Award	Increase in Aid Available	Increase in Recipients	Increase in Average Award
Alabama	$267,343,000	104,576	$2,556	$358,974,948	110,881	$3,237	$91,631,948	6,305	$681
Alaska	$10,851,000	4,855	$2,235	$14,570,407	5,148	$2,830	$3,719,407	293	$595
Arizona	$392,913,000	181,889	$2,160	$528,681,028	193,063	$2,738	$135,768,028	11,174	$578
Arkansas	$150,632,000	59,078	$2,550	$202,260,929	62,641	$3,229	$51,628,929	3,563	$679
California	$1,488,578,000	581,505	$2,560	$1,936,237,922	603,272	$3,210	$447,659,922	21,767	$650
Colorado	$173,257,000	74,721	$2,319	$232,640,758	79,226	$2,936	$59,383,758	4,505	$617
Connecticut	$77,322,000	35,526	$2,176	$103,823,669	37,668	$2,756	$26,501,669	2,142	$580
Delaware	$21,661,000	10,039	$2,158	$29,085,730	10,645	$2,732	$7,424,730	606	$574
District of Columbia	$39,794,000	17,073	$2,331	$53,433,167	18,103	$2,952	$13,639,167	1,030	$621
Florida	$722,888,000	303,522	$2,382	$964,104,568	318,347	$3,028	$241,216,568	14,825	$646
Georgia	$429,185,000	176,654	$2,430	$572,618,240	185,667	$3,084	$143,433,240	9,013	$654
Hawaii	$31,838,000	12,796	$2,488	$42,750,776	13,567	$3,151	$10,912,776	771	$663
Idaho	$81,477,000	31,850	$2,558	$109,403,014	33,770	$3,240	$27,926,014	1,920	$682
Illinois	$510,144,000	204,742	$2,492	$681,585,734	214,789	$3,173	$171,441,734	10,047	$681
Indiana	$238,871,000	106,682	$2,239	$320,743,800	113,115	$2,836	$81,872,800	6,433	$597
Iowa	$156,588,000	69,040	$2,268	$210,258,702	73,203	$2,872	$53,670,702	4,163	$604
Kansas	$122,213,000	52,685	$2,320	$164,102,132	55,862	$2,938	$41,889,132	3,177	$618
Kentucky	$203,884,000	83,461	$2,443	$273,765,073	88,494	$3,094	$69,881,073	5,033	$651
Louisiana	$250,917,000	96,612	$2,597	$336,918,195	102,438	$3,289	$86,001,195	5,826	$692
Maine	$45,014,000	19,123	$2,354	$60,443,034	20,276	$2,981	$15,429,034	1,153	$627
Maryland	$155,387,000	69,394	$2,239	$208,645,506	73,578	$2,836	$53,258,506	4,184	$597
Massachusetts	$183,315,000	78,701	$2,329	$246,145,707	83,446	$2,950	$62,830,707	4,745	$621
Michigan	$403,731,000	168,506	$2,396	$544,208,914	179,938	$3,024	$140,477,914	11,432	$628
Minnesota	$173,637,000	77,702	$2,235	$233,151,223	82,387	$2,830	$59,514,223	4,685	$595
Mississippi	$206,667,000	76,428	$2,704	$277,501,644	81,036	$3,424	$70,834,644	4,608	$720
Missouri	$235,124,000	101,507	$2,316	$315,712,839	107,628	$2,933	$80,588,839	6,121	$617
Montana	$47,370,000	18,711	$2,532	$63,606,712	19,839	$3,206	$16,236,712	1,128	$674
Nebraska	$69,232,000	31,072	$2,228	$92,961,621	32,946	$2,822	$23,729,621	1,874	$594
Nevada	$42,326,000	18,938	$2,235	$56,832,740	20,080	$2,830	$14,506,740	1,142	$595
New Hampshire	$30,958,000	14,244	$2,173	$41,568,934	15,103	$2,752	$10,610,934	859	$579

Democratic Proposal to Increase the Pell Grant to $5,100 Would Mean More Aid for Over Five Million Needy Students

	Award Year 2007-2008			Award Year 2007-2008			Award Year 2007-2008		
	$4,050 Max. Award (Current Services)*			$5,100 Max. Award*			Increase with $5,100 Max Award		
New Jersey	$251,753,000	102,172	$2,464	$338,040,630	108,333	$3,120	$86,287,630	6,161	$656
New Mexico	$102,063,000	42,448	$2,404	$137,045,257	45,008	$3,045	$34,982,257	2,560	$641
New York	$967,302,000	380,414	$2,543	$1,289,071,972	400,279	$3,220	$321,769,972	19,865	$677
North Carolina	$346,801,000	144,389	$2,402	$466,209,727	152,534	$3,056	$119,408,727	8,145	$654
North Dakota	$37,613,000	15,395	$2,443	$50,504,548	16,323	$3,094	$12,891,548	928	$651
Ohio	$467,725,000	193,244	$2,420	$629,620,211	206,565	$3,048	$161,895,211	13,321	$628
Oklahoma	$192,384,000	78,991	$2,436	$258,323,171	83,754	$3,084	$65,939,171	4,763	$648
Oregon	$148,395,000	62,218	$2,385	$199,256,933	65,969	$3,020	$50,861,933	3,751	$635
Pennsylvania	$435,876,000	182,497	$2,388	$595,196,010	196,752	$3,025	$159,320,010	14,255	$637
Rhode Island	$50,809,000	21,961	$2,314	$68,223,206	23,285	$2,930	$17,414,206	1,324	$616
South Carolina	$187,802,000	78,851	$2,382	$252,171,491	83,605	$3,016	$64,369,491	4,754	$634
South Dakota	$42,757,000	17,983	$2,378	$57,412,599	19,068	$3,011	$14,655,599	1,085	$633
Tennessee	$243,778,000	101,931	$2,392	$327,333,197	108,077	$3,029	$83,555,197	6,146	$637
Texas	$1,021,239,000	422,666	$2,416	$1,351,317,392	440,698	$3,066	$330,078,392	18,032	$650
Utah	$149,868,000	62,950	$2,381	$201,235,191	66,745	$3,015	$51,367,191	3,795	$634
Vermont	$20,612,000	9,233	$2,232	$27,677,304	9,789	$2,827	$7,065,304	556	$595
Virginia	$230,662,000	98,680	$2,337	$309,722,021	104,630	$2,960	$79,060,021	5,950	$623
Washington	$206,722,000	87,967	$2,350	$277,576,601	93,271	$2,976	$70,854,601	5,304	$626
West Virginia	$96,617,000	37,722	$2,561	$129,732,727	39,997	$3,244	$33,115,727	2,275	$683
Wisconsin	$159,212,000	70,161	$2,269	$213,781,476	74,391	$2,874	$54,569,476	4,230	$605
Wyoming	$21,679,000	9,156	$2,368	$29,109,644	9,708	$2,999	$7,430,644	552	$631
United States	$12,980,008,804	5,314,907	$2,442	$17,301,438,379	5,600,719	$3,089	$4,321,429,575	285,812	$647

*Estimate does not include any of the proposed changes to Pell in the President's FY2007 Budget.

Note: Estimates are from the PB 2007 update. United States totals include Puerto Rico and other U.S. Territories

Source: American Council on Education and HELP Committee Calculations

Millions of Students and Families Have Benefited from the College Tuition Tax Deduction			
State Name	**Students and Families Benefiting from Tuition Tax Deduction[19]**	**State Name**	**Students and Families Benefiting from Tuition Tax Deduction**
Alabama	39,157	**Montana**	11,411
Alaska	13,636	**Nebraska**	25,509
Arizona	74,301	**Nevada**	25,776
Arkansas	18,969	**New Hampshire**	18,336
California	475,242	**New Jersey**	121,775
Colorado	73,680	**New Mexico**	25,691
Connecticut	51,809	**New York**	238,254
Delaware	11,291	**North Carolina**	90,237
District of Columbia	8,518	**North Dakota**	8,706
Florida	163,345	**Ohio**	134,885
Georgia	90,145	**Oklahoma**	38,421
Hawaii	17,197	**Oregon**	53,264
Idaho	18,516	**Pennsylvania**	147,850
Illinois	181,998	**Rhode Island**	13,820
Indiana	73,093	**South Carolina**	36,364
Iowa	37,364	**South Dakota**	8,167
Kansas	39,948	**Tennessee**	51,587
Kentucky	35,720	**Texas**	249,008
Louisiana	45,063	**Utah**	34,229
Maine	14,429	**Vermont**	7,970
Maryland	90,237	**Virginia**	104,936
Massachusetts	97,107	**Washington**	95,236
Michigan	138,474	**West Virginia**	16,929
Minnesota	82,496	**Wisconsin**	84,346
Mississippi	21,094	**Wyoming**	7,551
Missouri	64,506	**United States**	3,642,075

[19] IRS Statistics of Income Division, Tax Year 2003, data compiled by the Senate Finance Committee

THE COLLEGE COST CRUNCH:

STATE ANALYSES

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Alabama Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Alabama increased 34%, from $7,338 to $9,819 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Alabama increased 23% from $14,248 to $17,520 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 34%, median family incomes in Alabama have increased only 3% since 2000.[2] After financial aid is taken into account, 27% of the average family income in Alabama is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Alabama the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 41% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 62% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Alabama, 62% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Alabama owed $17,277 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Alabama Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Alabama college graduates would save $3,455 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Alabama earning $30,973,[12] who graduate with the state average student loan debt of $17,277,[13] would see a reduction of about $50,[14] or 25%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 6,305 more Alabama college students would be eligible for $91,631,948 in additional need-based grant aid next year.[15] The average grant in Alabama would increase by $681, from $2,556 to $3,237.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 39,157 Alabama students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Alaska Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Alaska increased 18%, from $8,386 to $9,936 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Alaska increased 49% from $14,378 to $21,423 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 18%, median family incomes in Alaska have increased only 4% since 2000.[2] After financial aid is taken into account, 21% of the average family income in Alaska is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Alaska the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 41% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 53% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Alaska, 53% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Alaska owed $12,948 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Alaska Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Alaska college graduates would save $2,588 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Alaska earning $40,027,[12] who graduate with the state average student loan debt of $12,948,[13] would see a reduction of about $22,[14] or 15%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 293 more Alaska college students would be eligible for $3,719,407 in additional need-based grant aid next year.[15] The average grant in Alaska would increase by $595, from $2,235 to $2,830.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 13,636 Alaska students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Arizona Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Arizona increased 38%, from $7,872 to $10,863 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Arizona increased 30% from $14,935 to $19,448 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 38%, median family incomes in Arizona have increased only 10% since 2000.[2] After financial aid is taken into account, 30% of the average family income in Arizona is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Arizona the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 37% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 55% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Arizona, 59% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Arizona owed $16,089 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Arizona Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Arizona college graduates would save $3,217 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Arizona earning $28,236,[12] who graduate with the state average student loan debt of $16,089,[13] would see a reduction of about $52,[14] or 28%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 11,174 more Arizona college students would be eligible for $135,768,028 in additional need-based grant aid next year.[15] The average grant in Arizona would increase by $578, from $2,160 to $2,738.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 74,301 Arizona students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Arkansas Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Arkansas increased 29%, from $6,789 to $8,734 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Arkansas increased 28% from $13,361 to $17,040 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 29%, median family incomes in Arkansas have increased only 18% since 2000.[2] After financial aid is taken into account, 26% of the average family income in Arkansas is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Arkansas the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 46% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 75% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Arkansas, 55% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Arkansas owed $17,383 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Arkansas Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Arkansas college graduates would save $3,475 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Arkansas earning $26,129,[12] who graduate with the state average student loan debt of $17,383,[13] would see a reduction of about $62,[14] or 31%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 3,563 more Arkansas college students would be eligible for $51,628,929 in additional need-based grant aid next year.[15] The average grant in Arkansas would increase by $679, from $2,550 to $3,229.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 18,969 Arkansas students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, California Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in California increased 39%, from $9,592 to $13,356 for tuition, fees, room and board. The cost of attendance at four-year private colleges in California increased 21% from $24,993 to $30,186 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 39%, median family incomes in California have increased only 5% since 2000.[2] After financial aid is taken into account, 32% of the average family income in California is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In California the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 30% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 40% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In California, 56% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in California owed $15,340 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help California Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, California college graduates would save $3,067 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in California earning $35,135,[12] who graduate with the state average student loan debt of $15,340,[13] would see a reduction of about $36,[14] or 21%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 21,767 more California college students would be eligible for $447,659,922 in additional need-based grant aid next year.[15] The average grant in California would increase by $650, from $2,560 to $3,210.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 475,242 California students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Colorado Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Colorado increased 23%, from $8,360 to $10,243 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Colorado increased 16% from $23,599 to $27,361 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 23%, median family incomes in Colorado have increased only 6% since 2000.[2] After financial aid is taken into account, 24% of the average family income in Colorado is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Colorado the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 40% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 47% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Colorado, 55% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Colorado owed $16,833 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Colorado Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Colorado college graduates would save $3,366 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Colorado earning $31,296,[12] who graduate with the state average student loan debt of $16,833,[13] would see a reduction of about $48,[14] or 25%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 4,505 more Colorado college students would be eligible for $59,383,758 in additional need-based grant aid next year.[15] The average grant in Colorado would increase by $617, from $2,319 to $2,936.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 73,680 Colorado students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Connecticut Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Connecticut increased 32%, from $10,512 to $13,824 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Connecticut increased 22% from $27,818 to $33,965 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 32%, median family incomes in Connecticut have increased only 10% since 2000.[2] After financial aid is taken into account, 29% of the average family income in Connecticut is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Connecticut the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 29% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 49% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Connecticut, 59% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Connecticut owed $19,093 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Connecticut Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Connecticut college graduates would save $3,818 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Connecticut earning $34,462,[12] who graduate with the state average student loan debt of $19,093,[13] would see a reduction of about $47,[14] or 21%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 2,142 more Connecticut college students would be eligible for $26,501,669 in additional need-based grant aid next year.[15] The average grant in Connecticut would increase by $580, from $2,176 to $2,756.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 51,809 Connecticut students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Delaware Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Delaware increased 30%, from $10,290 to $13,353 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Delaware increased 24% from $14,041 to $17,368 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 30%, median family incomes in Delaware have actually decreased by 5% since 2000.[2] After financial aid is taken into account, 30% of the average family income in Delaware is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Delaware the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 30% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 54% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Delaware, 46% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Delaware owed $15,694 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Delaware Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Delaware college graduates would save $3,138 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Delaware earning $34,566,[12] who graduate with the state average student loan debt of $15,694,[13] would see a reduction of about $38,[14] or 21%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 606 more Delaware college students would be eligible for $7,424,730 in additional need-based grant aid next year.[15] The average grant in Delaware would increase by $574, from $2,158 to $2,732.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 11,291 Delaware students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, District of Columbia Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. In the 2004-2005 school year, the cost of tuition and fees at a four-year public college in District of Columbia was $2,070. The cost of attendance at four-year private colleges in District of Columbia increased 16% between the 2000-2001 and 2004-2005 school years, from $27,143 to $31,594 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While college costs have increased across the nation, median family incomes in District of Columbia have increased only 5% since 2000.[2]

Federal Student Aid Has Eroded Over Time. In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In District of Columbia, 53% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in District of Columbia owed $21,675 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help District of Columbia Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, District of Columbia college graduates would save $4,334 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in District of Columbia earning $38,566,[12] who graduate with the state average student loan debt of $21,675,[13] would see a reduction of about $42,[14] or 17%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 1,030 more District of Columbia college students would be eligible for $13,639,167 in additional need-based grant aid next year.[15] The average grant in District of Columbia would increase by $621, from $2,331 to $2,952.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 8,518 District of Columbia students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Florida Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Florida increased 18%, from $7,944 to $9,335 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Florida increased 20% from $19,800 to $23,793 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 18%, median family incomes in Florida have increased only 4% since 2000.[2] After financial aid is taken into account, 25% of the average family income in Florida is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Florida the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 43% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 54% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Florida, 58% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Florida owed $18,574 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Florida Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Florida college graduates would save $3,713 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Florida earning $30,969,[12] who graduate with the state average student loan debt of $18,574,[13] would see a reduction of about $54,[14] or 25%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 14,825 more Florida college students would be eligible for $241,216,568 in additional need-based grant aid next year.[15] The average grant in Florida would increase by $646, from $2,382 to $3,028.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 163,345 Florida students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Georgia Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Georgia increased 27%, from $7,455 to $9,439 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Georgia increased 25% from $19,743 to $24,734 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 27%, median family incomes in Georgia have actually decreased 2% since 2000.[2] After financial aid is taken into account, 24% of the average family income in Georgia is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Georgia the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 43% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 58% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Georgia, 53% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Georgia owed $15,337 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Georgia Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Georgia college graduates would save $3,066 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Georgia earning $35,116,[12] who graduate with the state average student loan debt of $15,337,[13] would see a reduction of about $36,[14] or 21%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 9,013 more Georgia college students would be eligible for $143,433,240 in additional need-based grant aid next year.[15] The average grant in Georgia would increase by $654, from $2,430 to $3,084.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 90,145 Georgia students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Hawaii Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Hawaii increased 10%, from $8,286 to $9,131 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Hawaii increased 12% from $15,997 to $17,866 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 10%, median family incomes in Hawaii have just kept pace, also increasing 10% since 2000.[2] After financial aid is taken into account, 23% of the average family income in Hawaii is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Hawaii the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 44% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 49% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Hawaii, 41% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Hawaii owed $14,716 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Hawaii Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Hawaii college graduates would save $2,942 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Hawaii earning $37,615,[12] who graduate with the state average student loan debt of $14,716,[13] would see a reduction of about $30,[14] or 18%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 771 more Hawaii college students would be eligible for $10,912,776 in additional need-based grant aid next year.[15] The average grant in Hawaii would increase by $663, from $2,488 to $3,151.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 17,197 Hawaii students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Idaho Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Idaho increased 34%, from $6,763 to $9,066 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 34%, median family incomes in Idaho have increased only 18% since 2000.[2] After financial aid is taken into account, 22% of the average family income in Idaho is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Idaho the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 45% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 56% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Idaho, 54% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Idaho owed $24,527 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Idaho Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Idaho college graduates would save $4,903 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Idaho earning $25,908,[12] who graduate with the state average student loan debt of $24,527,[13] would see a reduction of about $89,[14] or 31%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 1,920 more Idaho college students would be eligible for $27,926,014 in additional need-based grant aid next year.[15] The average grant in Idaho would increase by $682, from $2,558 to $3,240.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 18,516 Idaho students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Illinois Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Illinois increased 34%, from $9,533 to $12,803 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Illinois increased 23% from $21,941 to $26,966 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 34%, median family incomes in Illinois have increased less than 1% since 2000.[2] After financial aid is taken into account, 30% of the average family income in Illinois is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Illinois the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 32% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 47% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Illinois, 66% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Illinois owed $16,104 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Illinois Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Illinois college graduates would save $3,220 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Illinois earning $35,114,[12] who graduate with the state average student loan debt of $16,104,[13] would see a reduction of about $38,[14] or 21%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 10,047 more Illinois college students would be eligible for $171,441,734 in additional need-based grant aid next year.[15] The average grant in Illinois would increase by $681, from $2,492 to $3,173.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 181,998 Illinois students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Indiana Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Indiana increased 33%, from $9,232 to $12,240 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Indiana increased 24% from $21,390 to $26,490 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 33%, median family incomes in Indiana have increased only 4% since 2000.[2] After financial aid is taken into account, 29% of the average family income in Indiana is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Indiana the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 33% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 44% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Indiana, 65% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Indiana owed $18,506 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Indiana Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Indiana college graduates would save $3,701 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Indiana earning $29,784,[12] who graduate with the state average student loan debt of $18,506,[13] would see a reduction of about $56,[14] or 26%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 6,433 more Indiana college students would be eligible for $81,872,800 in additional need-based grant aid next year.[15] The average grant in Indiana would increase by $597, from $2,239 to $2,836.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 73,093 Indiana students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Iowa Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Iowa increased 52%, from $7,589 to $11,541 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Iowa increased 18% from $19,454 to $23,012 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 52%, median family incomes in Iowa have increased only 6% since 2000.[2] After financial aid is taken into account, 28% of the average family income in Iowa is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Iowa the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 35% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 61% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Iowa, 77% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Iowa owed $22,025 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Iowa Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Iowa college graduates would save $4,404 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Iowa earning $26,967,[12] who graduate with the state average student loan debt of $22,025,[13] would see a reduction of about $75,[14] or 30%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 4,163 more Iowa college students would be eligible for $53,670,702 in additional need-based grant aid next year.[15] The average grant in Iowa would increase by $604, from $2,268 to $2,872.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 37,364 Iowa students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Kansas Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Kansas increased 41%, from $6,650 to $9,397 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Kansas increased 26% from $15,627 to $19,736 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 41%, median family incomes in Kansas have increased less than 1% since 2000.[2] After financial aid is taken into account, 23% of the average family income in Kansas is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Kansas the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 43% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 60% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Kansas, 69% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Kansas owed $16,029 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Kansas Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Kansas college graduates would save $3,205 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Kansas earning $28,530,[12] who graduate with the state average student loan debt of $16,029,[13] would see a reduction of about $51,[14] or 28%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 3,177 more Kansas college students would be eligible for $41,889,132 in additional need-based grant aid next year.[15] The average grant in Kansas would increase by $618, from $2,320 to $2,938.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 39,948 Kansas students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Kentucky Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Kentucky increased 36%, from $6,921 to $9,400 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Kentucky increased 31% from $14,727 to $19,262 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 36%, median family incomes in Kentucky have actually decreased 2% since 2000.[2] After financial aid is taken into account, 22% of the average family income in Kentucky is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Kentucky the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 43% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 64% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Kentucky, 54% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Kentucky owed $15,579 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Kentucky Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Kentucky college graduates would save $3,114 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Kentucky earning $28,416,[12] who graduate with the state average student loan debt of $15,579,[13] would see a reduction of about $50,[14] or 28%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 5,033 more Kentucky college students would be eligible for $69,881,073 in additional need-based grant aid next year.[15] The average grant in Kentucky would increase by $651, from $2,443 to $3,094.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 35,720 Kentucky students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Louisiana Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Louisiana increased 26%, from $6,304 to $7,973 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Louisiana increased 20% from $22,154 to $26,583 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 26%, median family incomes in Louisiana have increased only 19% since 2000.[2] After financial aid is taken into account, 23% of the average family income in Louisiana is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Louisiana the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 51% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 59% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Louisiana, 53% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Louisiana owed $17,531 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Louisiana Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Louisiana college graduates would save $3,505 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Louisiana earning $29,655,[12] who graduate with the state average student loan debt of $17,531,[13] would see a reduction of about $53,[14] or 26%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 5,826 more Louisiana college students would be eligible for $86,001,195 in additional need-based grant aid next year.[15] The average grant in Louisiana would increase by $692, from $2,597 to $3,289.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 45,063 Louisiana students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Maine Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Maine increased 26%, from $9,361 to $11,826 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Maine increased 25% from $22,689 to $28,371 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 26%, median family incomes in Maine have increased only 11% since 2000.[2] After financial aid is taken into account, 34% of the average family income in Maine is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Maine the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 34% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 46% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Maine, 65% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Maine owed $18,341 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Maine Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Maine college graduates would save $3,667 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Maine earning $25,901,[12] who graduate with the state average student loan debt of $18,341,[13] would see a reduction of about $66,[14] or 31%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 1,153 more Maine college students would be eligible for $15,429,034 in additional need-based grant aid next year.[15] The average grant in Maine would increase by $627, from $2,354 to $2,981.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 14,429 Maine students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Maryland Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Maryland increased 30%, from $10,846 to $14,108 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Maryland increased 17% from $26,034 to $30,515 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 30%, median family incomes in Maryland have increased only 5% since 2000.[2] After financial aid is taken into account, 29% of the average family income in Maryland is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Maryland the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 29% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 39% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Maryland, 50% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Maryland owed $15,054 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Maryland Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Maryland college graduates would save $3,011 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Maryland earning $33,760,[12] who graduate with the state average student loan debt of $15,054,[13] would see a reduction of about $38,[14] or 22%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 4,184 more Maryland college students would be eligible for $53,258,506 in additional need-based grant aid next year.[15] The average grant in Maryland would increase by $597, from $2,239 to $2,836.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 90,237 Maryland students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Massachusetts Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Massachusetts increased 49%, from $9,206 to $13,687 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Massachusetts increased 24% from $28,669 to $35,470 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 49%, median family incomes in Massachusetts have increased only 12% since 2000.[2] After financial aid is taken into account, 31% of the average family income in Massachusetts is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Massachusetts the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 30% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 50% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Massachusetts, 62% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Massachusetts owed $17,353 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Massachusetts Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Massachusetts college graduates would save $3,470 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Massachusetts earning $34,041,[12] who graduate with the state average student loan debt of $17,353,[13] would see a reduction of about $43,[14] or 22%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 4,745 more Massachusetts college students would be eligible for $62,830,707 in additional need-based grant aid next year.[15] The average grant in Massachusetts would increase by $621, from $2,329 to $2,950.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 97,107 Massachusetts students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Michigan Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Michigan increased 29%, from $9,841 to $12,658 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Michigan increased 20% from $16,040 to $19,286 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 29%, median family incomes in Michigan have actually decreased 7% since 2000.[2] After financial aid is taken into account, 32% of the average family income in Michigan is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Michigan the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 32% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 44% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Michigan, 57% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Michigan owed $17,941 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Michigan Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Michigan college graduates would save $3,587 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Michigan earning $34,377,[12] who graduate with the state average student loan debt of $17,941,[13] would see a reduction of about $44,[14] or 21%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 11,432 more Michigan college students would be eligible for $140,477,914 in additional need-based grant aid next year.[15] The average grant in Michigan would increase by $628, from $2,396 to $3,024.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 138,474 Michigan students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Minnesota Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Minnesota increased 47%, from $8,146 to $11,958 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Minnesota increased 20% from $21,556 to $25,946 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 47%, median family incomes in Minnesota have increased only 3% since 2000.[2] After financial aid is taken into account, 23% of the average family income in Minnesota is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Minnesota the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 34% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 52% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Minnesota, 67% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Minnesota owed $19,468 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Minnesota Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Minnesota college graduates would save $3,892 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Minnesota earning $30,772,[12] who graduate with the state average student loan debt of $19,468,[13] would see a reduction of about $57,[14] or 25%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 4,685 more Minnesota college students would be eligible for $59,514,223 in additional need-based grant aid next year.[15] The average grant in Minnesota would increase by $595, from $2,235 to $2,830.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 82,496 Minnesota students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Mississippi Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Mississippi increased 26%, from $7,181 to $9,019 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Mississippi increased 20% from $13,717 to $16,460 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 26%, median family incomes in Mississippi have increased only 2% since 2000.[2] After financial aid is taken into account, 26% of the average family income in Mississippi is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Mississippi the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 45% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 54% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Mississippi, 57% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Mississippi owed $14,534 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Mississippi Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Mississippi college graduates would save $2,906 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Mississippi earning $28,106,[12] who graduate with the state average student loan debt of $14,534,[13] would see a reduction of about $47,[14] or 28%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 4,608 more Mississippi college students would be eligible for $70,834,644 in additional need-based grant aid next year.[15] The average grant in Mississippi would increase by $720, from $2,704 to $3,424.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 21,094 Mississippi students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Missouri Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Missouri increased 38%, from $8,201 to $11,356 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Missouri increased 20% from $17,852 to $21,431 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 38%, median family incomes in Missouri have actually decreased 7% since 2000.[2] After financial aid is taken into account, 27% of the average family income in Missouri is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Missouri the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 36% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 62% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Missouri, 65% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Missouri owed $15,678 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Missouri Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Missouri college graduates would save $3,134 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Missouri earning $28,938,[12] who graduate with the state average student loan debt of $15,678,[13] would see a reduction of about $49,[14] or 27%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 6,121 more Missouri college students would be eligible for $80,588,839 in additional need-based grant aid next year.[15] The average grant in Missouri would increase by $617, from $2,316 to $2,933.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 64,506 Missouri students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Montana Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Montana increased 30%, from $7,607 to $9,867 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Montana increased 25% from $14,298 to $17,918 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 30%, median family incomes in Montana have increased only 4% since 2000.[2] After financial aid is taken into account, 31% of the average family income in Montana is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Montana the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 41% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 51% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Montana, 55% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Montana owed $16,920 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Montana Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Montana college graduates would save $3,384 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Montana earning $24,032,[12] who graduate with the state average student loan debt of $16,920,[13] would see a reduction of about $67,[14] or 35%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 1,128 more Montana college students would be eligible for $16,236,712 in additional need-based grant aid next year.[15] The average grant in Montana would increase by $674, from $2,532 to $3,206.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 11,411 Montana students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Nebraska Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Nebraska increased 46%, from $7,335 to $10,704 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Nebraska increased 20% from $16,381 to $19,725 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 46%, median family incomes in Nebraska have increased only 5% since 2000.[2] After financial aid is taken into account, 24% of the average family income in Nebraska is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Nebraska the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 38% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 63% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Nebraska, 67% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Nebraska owed $17,356 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Nebraska Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Nebraska college graduates would save $3,470 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Nebraska earning $28,527,[12] who graduate with the state average student loan debt of $17,356,[13] would see a reduction of about $55,[14] or 28%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 1,874 more Nebraska college students would be eligible for $23,729,621 in additional need-based grant aid next year.[15] The average grant in Nebraska would increase by $594, from $2,228 to $2,822.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 25,509 Nebraska students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Nevada Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Nevada increased 27%, from $8,252 to $10,464 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Nevada increased 18% from $17,397 to $20,594 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 27%, median family incomes in Nevada have increased only 3% since 2000.[2] After financial aid is taken into account, 27% of the average family income in Nevada is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Nevada the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 39% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 60% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Nevada, 44% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Nevada owed $12,818 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Nevada Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Nevada college graduates would save $2,563 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Nevada earning $27,942,[12] who graduate with the state average student loan debt of $12,818,[13] would see a reduction of about $42,[14] or 28%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 1,142 more Nevada college students would be eligible for $14,506,740 in additional need-based grant aid next year.[15] The average grant in Nevada would increase by $595, from $2,235 to $2,830.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 25,776 Nevada students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, New Hampshire Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in New Hampshire increased 25%, from $11,717 to $14,651 for tuition, fees, room and board. The cost of attendance at four-year private colleges in New Hampshire increased 21% from $24,525 to $29,728 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 25%, median family incomes in New Hampshire have increased only 12% since 2000.[2] After financial aid is taken into account, 32% of the average family income in New Hampshire is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In New Hampshire the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 28% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 46% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In New Hampshire, 67% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in New Hampshire owed $21,332 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help New Hampshire Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, New Hampshire college graduates would save $4,265 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in New Hampshire earning $27,367,[12] who graduate with the state average student loan debt of $21,332,[13] would see a reduction of about $71,[14] or 29%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 859 more New Hampshire college students would be eligible for $10,610,934 in additional need-based grant aid next year.[15] The average grant in New Hampshire would increase by $579, from $2,173 to $2,752.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 18,336 New Hampshire students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, New Jersey Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in New Jersey increased 36%, from $11,998 to $16,349 for tuition, fees, room and board. The cost of attendance at four-year private colleges in New Jersey increased 25% from $23,860 to $29,751 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 36%, median family incomes in New Jersey have increased only 10% since 2000.[2] After financial aid is taken into account, 34% of the average family income in New Jersey is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In New Jersey the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 25% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 43% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In New Jersey, 57% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in New Jersey owed $16,450 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help New Jersey Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, New Jersey college graduates would save $3,289 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in New Jersey earning $37,061,[12] who graduate with the state average student loan debt of $16,450,[13] would see a reduction of about $35,[14] or 18%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 6,161 more New Jersey college students would be eligible for $86,287,630 in additional need-based grant aid next year.[15] The average grant in New Jersey would increase by $656, from $2,464 to $3,120.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 121,775 New Jersey students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, New Mexico Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in New Mexico increased 22%, from $7,085 to $8,675 for tuition, fees, room and board. The cost of attendance at four-year private colleges in New Mexico increased 2% from $18,985 to $19,304 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 22%, median family incomes in New Mexico have increased only 12% since 2000.[2] After financial aid is taken into account, 27% of the average family income in New Mexico is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In New Mexico the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 47% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 58% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In New Mexico, 51% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in New Mexico owed $12,746 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help New Mexico Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, New Mexico college graduates would save $2,549 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in New Mexico earning $31,920,[12] who graduate with the state average student loan debt of $12,746,[13] would see a reduction of about $35,[14] or 24%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 2,560 more New Mexico college students would be eligible for $34,982,257 in additional need-based grant aid next year.[15] The average grant in New Mexico would increase by $641, from $2,404 to $3,045.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 25,691 New Mexico students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, New York Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in New York increased 21%, from $10,254 to $12,441 for tuition, fees, room and board. The cost of attendance at four-year private colleges in New York increased 23% from $25,171 to $30,907 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 21%, median family incomes in New York have increased only 10% since 2000.[2] After financial aid is taken into account, 32% of the average family income in New York is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In New York the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 33% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 45% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In New York, 59% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in New York owed $17,594 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help New York Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, New York college graduates would save $3,518 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in New York earning $36,400,[12] who graduate with the state average student loan debt of $17,594,[13] would see a reduction of about $39,[14] or 19%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 19,865 more New York college students would be eligible for $321,769,972 in additional need-based grant aid next year.[15] The average grant in New York would increase by $677, from $2,543 to $3,220.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 238,254 New York students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, North Carolina Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in North Carolina increased 33%, from $7,080 to $9,450 for tuition, fees, room and board. The cost of attendance at four-year private colleges in North Carolina increased 22% from $20,169 to $24,600 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 33%, median family incomes in North Carolina have increased only 5% since 2000.[2] After financial aid is taken into account, 25% of the average family income in North Carolina is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In North Carolina the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 43% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 69% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In North Carolina, 62% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in North Carolina owed $16,484 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help North Carolina Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, North Carolina college graduates would save $3,295 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in North Carolina earning $27,572,[12] who graduate with the state average student loan debt of $16,484,[13] would see a reduction of about $54,[14] or 29%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 8,145 more North Carolina college students would be eligible for $119,408,727 in additional need-based grant aid next year.[15] The average grant in North Carolina would increase by $654, from $2,402 to $3,056.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 90,237 North Carolina students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, North Dakota Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in North Dakota increased 41%, from $6,405 to $9,011 for tuition, fees, room and board. The cost of attendance at four-year private colleges in North Dakota increased 10% from $11,392 to $12,525 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 41%, median family incomes in North Dakota have increased only 9% since 2000.[2] After financial aid is taken into account, 25% of the average family income in North Dakota is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In North Dakota the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 45% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 67% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In North Dakota, 67% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in North Dakota owed $21,331 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help North Dakota Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, North Dakota college graduates would save $4,265 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in North Dakota earning $24,108,[12] who graduate with the state average student loan debt of $21,331,[13] would see a reduction of about $85,[14] or 34%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 928 more North Dakota college students would be eligible for $12,891,548 in additional need-based grant aid next year.[15] The average grant in North Dakota would increase by $651, from $2,443 to $3,094.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 8,706 North Dakota students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Ohio Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Ohio increased 46%, from $10,449 to $15,256 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Ohio increased 22% from $21,045 to $25,594 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 46%, median family incomes in Ohio have increased less than 1% since 2000.[2] After financial aid is taken into account, 36% of the average family income in Ohio is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Ohio the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 27% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 43% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Ohio, 62% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Ohio owed $19,665 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Ohio Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Ohio college graduates would save $3,932 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Ohio earning $28,692,[12] who graduate with the state average student loan debt of $19,665,[13] would see a reduction of about $62,[14] or 27%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 13,321 more Ohio college students would be eligible for $161,895,211 in additional need-based grant aid next year.[15] The average grant in Ohio would increase by $628, from $2,420 to $3,048.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 134,885 Ohio students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Oklahoma Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Oklahoma increased 41%, from $6,000 to $8,451 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Oklahoma increased 24% from $15,397 to $19,168 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 41%, median family incomes in Oklahoma have increased only 22% since 2000.[2] After financial aid is taken into account, 23% of the average family income in Oklahoma is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Oklahoma the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 48% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 72% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Oklahoma, 55% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Oklahoma owed $16,297 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Oklahoma Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Oklahoma college graduates would save $3,258 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Oklahoma earning $29,473,[12] who graduate with the state average student loan debt of $16,297,[13] would see a reduction of about $50,[14] or 27%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 4,763 more Oklahoma college students would be eligible for $65,939,171 in additional need-based grant aid next year.[15] The average grant in Oklahoma would increase by $648, from $2,436 to $3,084.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 38,421 Oklahoma students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Oregon Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Oregon increased 30%, from $9,397 to $12,177 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Oregon increased 18% from $23,306 to $27,493 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 30%, median family incomes in Oregon have actually decreased 3% since 2000.[2] After financial aid is taken into account, 34% of the average family income in Oregon is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Oregon the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 33% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 53% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Oregon, 63% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Oregon owed $18,105 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Oregon Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Oregon college graduates would save $3,620 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Oregon earning $33,396,[12] who graduate with the state average student loan debt of $18,105,[13] would see a reduction of about $47,[14] or 22%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 3,751 more Oregon college students would be eligible for $50,861,933 in additional need-based grant aid next year.[15] The average grant in Oregon would increase by $635, from $2,385 to $3,020.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 53,264 Oregon students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Pennsylvania Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Pennsylvania increased 33%, from $11,087 to $14,771 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Pennsylvania increased 24% from $24,779 to $30,637 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 33%, median family incomes in Pennsylvania have increased only 5% since 2000.[2] After financial aid is taken into account, 35% of the average family income in Pennsylvania is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Pennsylvania the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 27% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 41% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Pennsylvania, 72% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Pennsylvania owed $19,866 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Pennsylvania Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Pennsylvania college graduates would save $3,972 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Pennsylvania earning $34,140,[12] who graduate with the state average student loan debt of $19,866,[13] would see a reduction of about $50,[14] or 22%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 14,255 more Pennsylvania college students would be eligible for $159,320,010 in additional need-based grant aid next year.[15] The average grant in Pennsylvania would increase by $637, from $2,388 to $3,025.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 147,850 Pennsylvania students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Rhode Island Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Rhode Island increased 22%, from $11,104 to $13,541 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Rhode Island increased 18% from $26,157 to $30,907 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 22%, median family incomes in Rhode Island have increased only 14% since 2000.[2] After financial aid is taken into account, 35% of the average family income in Rhode Island is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Rhode Island the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 30% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 39% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Rhode Island, 62% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Rhode Island owed $20,826 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Rhode Island Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Rhode Island college graduates would save $4,164 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Rhode Island earning $32,902,[12] who graduate with the state average student loan debt of $20,826,[13] would see a reduction of about $55,[14] or 23%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 1,324 more Rhode Island college students would be eligible for $17,414,206 in additional need-based grant aid next year.[15] The average grant in Rhode Island would increase by $616, from $2,314 to $2,930.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 13,820 Rhode Island students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, South Carolina Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in South Carolina increased 34%, from $9,065 to $12,165 for tuition, fees, room and board. The cost of attendance at four-year private colleges in South Carolina increased 21% from $17,583 to $21,237 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 34%, median family incomes in South Carolina have increased only 3% since 2000.[2] After financial aid is taken into account, 32% of the average family income in South Carolina is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In South Carolina the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 33% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 50% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In South Carolina, 63% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in South Carolina owed $16,734 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help South Carolina Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, South Carolina college graduates would save $3,346 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in South Carolina earning $27,883,[12] who graduate with the state average student loan debt of $16,734,[13] would see a reduction of about $55,[14] or 28%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 4,754 more South Carolina college students would be eligible for $64,369,491 in additional need-based grant aid next year.[15] The average grant in South Carolina would increase by $634, from $2,382 to $3,016.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 36,364 South Carolina students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, South Dakota Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in South Dakota increased 28%, from $6,979 to $8,944 for tuition, fees, room and board. The cost of attendance at four-year private colleges in South Dakota increased 17% from $15,398 to $18,076 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 28%, median family incomes in South Dakota have increased only 13% since 2000.[2] After financial aid is taken into account, 23% of the average family income in South Dakota is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In South Dakota the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 45% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 62% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In South Dakota, 72% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in South Dakota owed $18,889 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help South Dakota Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, South Dakota college graduates would save $3,778 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in South Dakota earning $25,504,[12] who graduate with the state average student loan debt of $18,889,[13] would see a reduction of about $70,[14] or 32%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 1,085 more South Dakota college students would be eligible for $14,655,599 in additional need-based grant aid next year.[15] The average grant in South Dakota would increase by $633, from $2,378 to $3,011.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 8,167 South Dakota students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Tennessee Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Tennessee increased 23%, from $7,661 to $9,445 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Tennessee increased 21% from $18,139 to $22,035 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 23%, median family incomes in Tennessee have increased only 12% since 2000.[2] After financial aid is taken into account, 27% of the average family income in Tennessee is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Tennessee the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 43% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 62% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Tennessee, 59% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Tennessee owed $19,346 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Tennessee Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Tennessee college graduates would save $3,868 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Tennessee earning $30,449,[12] who graduate with the state average student loan debt of $19,346,[13] would see a reduction of about $57,[14] or 26%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 6,146 more Tennessee college students would be eligible for $83,555,197 in additional need-based grant aid next year.[15] The average grant in Tennessee would increase by $637, from $2,392 to $3,029.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 51,587 Tennessee students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Texas Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Texas increased 34%, from $7,634 to $10,233 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Texas increased 31% from $16,973 to $22,218 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 34%, median family incomes in Texas have increased only 7% since 2000.[2] After financial aid is taken into account, 26% of the average family income in Texas is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Texas the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 40% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 55% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Texas, 56% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Texas owed $16,618 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Texas Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Texas college graduates would save $3,323 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Texas earning $32,741,[12] who graduate with the state average student loan debt of $16,618,[13] would see a reduction of about $44,[14] or 23%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 18,032 more Texas college students would be eligible for $330,078,392 in additional need-based grant aid next year.[15] The average grant in Texas would increase by $650, from $2,416 to $3,066.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 249,008 Texas students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Utah Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Utah increased 26%, from $6,623 to $8,348 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Utah increased 23% from $8,576 to $10,521 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 26%, median family incomes in Utah have increased only 7% since 2000.[2] After financial aid is taken into account, 18% of the average family income in Utah is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Utah the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 49% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 53% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Utah, 44% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Utah owed $11,039 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Utah Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Utah college graduates would save $2,208 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Utah earning $26,130,[12] who graduate with the state average student loan debt of $11,039,[13] would see a reduction of about $39,[14] or 31%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 3,795 more Utah college students would be eligible for $51,367,191 in additional need-based grant aid next year.[15] The average grant in Utah would increase by $634, from $2,381 to $3,015.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 34,229 Utah students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Vermont Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Vermont increased 22%, from $12,836 to $15,658 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Vermont also increased 22%, from $22,312 to $27,261 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 22%, median family incomes in Vermont have increased only 20% since 2000.[2] After financial aid is taken into account, 41% of the average family income in Vermont is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Vermont the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 26% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 30% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Vermont, 69% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Vermont owed $20,604 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Vermont Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Vermont college graduates would save $4,120 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Vermont earning $25,819,[12] who graduate with the state average student loan debt of $20,604,[13] would see a reduction of about $75,[14] or 32%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 556 more Vermont college students would be eligible for $7,065,304 in additional need-based grant aid next year.[15] The average grant in Vermont would increase by $595, from $2,232 to $2,827.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 7,970 Vermont students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Virginia Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Virginia increased 33%, from $8,744 to $11,616 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Virginia increased 24% from $18,700 to $23,277 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 33%, median family incomes in Virginia have increased only 9% since 2000.[2] After financial aid is taken into account, 26% of the average family income in Virginia is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Virginia the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 35% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 42% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Virginia, 63% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Virginia owed $16,474 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Virginia Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Virginia college graduates would save $3,294 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Virginia earning $32,437,[12] who graduate with the state average student loan debt of $16,474,[13] would see a reduction of about $45,[14] or 23%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 5,950 more Virginia college students would be eligible for $79,060,021 in additional need-based grant aid next year.[15] The average grant in Virginia would increase by $623, from $2,337 to $2,960.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 104,936 Virginia students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Washington Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Washington increased 33%, from $8,917 to $11,902 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Washington increased 21% from $21,510 to $26,021 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 33%, median family incomes in Washington have increased only 17% since 2000.[2] After financial aid is taken into account, 31% of the average family income in Washington is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Washington the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 34% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 53% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Washington, 61% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Washington owed $17,601 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Washington Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Washington college graduates would save $3,520 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Washington earning $30,159,[12] who graduate with the state average student loan debt of $17,601,[13] would see a reduction of about $52,[14] or 26%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 5,304 more Washington college students would be eligible for $70,854,601 in additional need-based grant aid next year.[15] The average grant in Washington would increase by $626, from $2,350 to $2,976.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 95,236 Washington students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, West Virginia Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in West Virginia increased 30%, from $7,287 to $9,450 for tuition, fees, room and board. The cost of attendance at four-year private colleges in West Virginia increased 4% from $18,338 to $19,067 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 30%, median family incomes in West Virginia have increased only 13% since 2000.[2] After financial aid is taken into account, 29% of the average family income in West Virginia is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In West Virginia the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 43% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 51% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In West Virginia, 64% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in West Virginia owed $17,697 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help West Virginia Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, West Virginia college graduates would save $3,538 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in West Virginia earning $26,692,[12] who graduate with the state average student loan debt of $17,697,[13] would see a reduction of about $61,[14] or 30%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 2,275 more West Virginia college students would be eligible for $33,115,727 in additional need-based grant aid next year.[15] The average grant in West Virginia would increase by $683, from $2,561 to $3,244.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 16,929 West Virginia students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Wisconsin Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public colleges in Wisconsin increased 34%, from $7,385 to $9,872 for tuition, fees, room and board. The cost of attendance at four-year private colleges in Wisconsin increased 21% from $20,271 to $24,574 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 34%, median family incomes in Wisconsin have increased only 2% since 2000.[2] After financial aid is taken into account, 22% of the average family income in Wisconsin is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Wisconsin the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 41% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 58% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Wisconsin, 68% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7] The average student graduating from a four-year college in Wisconsin owed $16,815 on graduation day in 2004.[8]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Wisconsin Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Wisconsin college graduates would save $3,361 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Wisconsin earning $23,952,[12] who graduate with the state average student loan debt of $16,815,[13] would see a reduction of about $67,[14] or 35%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 4,230 more Wisconsin college students would be eligible for $54,569,476 in additional need-based grant aid next year.[15] The average grant in Wisconsin would increase by $605, from $2,269 to $2,874.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 84,346 Wisconsin students and families benefited from the tuition tax deduction.[17]

A NEW DIRECTION FOR AMERICA

Bush Republicans Take Us in the Wrong Direction, Wyoming Students Pay the Price

Despite the critical need to boost affordable college opportunities for all Americans, the Republican-led Congress continues to put college even further out of reach for millions of students. Each year millions of hardworking American families and students continue to struggle to cover college costs. But five years of Republican policies have resulted in stagnant federal grant aid, increasing numbers of students and their families falling further into debt to finance a college education, and fewer options for college graduates.

The Cost of College Has Soared. Between the 2000-2001 and 2004-2005 school years, the cost of attendance at four-year public college in Wyoming increased 21%, from $7,017 to $8,514 for tuition, fees, room and board.[1]

Median Family Incomes Have Remained Stagnant. While public college costs have increased 21%, median family incomes in Wyoming have increased only 15% since 2000.[2] After financial aid is taken into account, 24% of the average family income in Wyoming is needed to pay for one year of college costs at a four-year public college.[3]

Federal Student Aid Has Eroded Over Time. In Wyoming the maximum Pell grant, which has remained at $4,050 for the past four years, covered only 48% of the average public four-year college tuition, fees, room and board in 2004-2005 – down from 62% in 1986-1987.[4] In 1975-1976, 77% of federal aid going to students nationally was in the form of grants, and only 20% was loans. In 2004-2005, it was 70% loans, 20% grants.[5]

Students Have Taken on More Debt to Pay for College. More students are leaving college in debt. In 2004, nearly two-thirds of all four-year college graduates nationwide had loan debt, compared with less than one-third of graduates in 1993.[6] In Wyoming, 43% of undergraduates at four-year institutions took out student loans during the 2003-2004 school year.[7]

Increased Debt Levels Are Impacting Students' Career and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to manage on a starting teacher's salary.[9] Debt levels are also causing students to delay buying a home or a car and postpone marriage or having children.[10]

To Reverse these Trends, Democrats Propose a New Direction to Help Wyoming Students.

- Democrats opposed recent Republican efforts to raise student loan interest rates, and have called for a reduction in interest rates. If interest rates were cut in half, Wyoming college graduates who graduate with student loan debt equal to the national average could save $3,859 over the ten-year life of their loans.[11]
- Democrats have also called for debt relief for college graduates with excessive loan burdens. If federal student loan payments were capped at 15% of a borrower's discretionary income, starting teachers in Wyoming earning $28,900,[12] who graduate with the national average student loan debt of $19,300,[13] would see a reduction of about $61,[14] or 27%, in their monthly loan payments. For individuals who continue in public service careers for 10 years, student loan debt would be forgiven.
- Democrats have called for increasing the maximum Pell Grant from $4,050 to $5,100. With an increase in the Pell Grant, 552 more Wyoming college students would be eligible for $7,430,644 in additional need-based grant aid next year.[15] The average grant in Wyoming would increase by $631, from $2,368 to $2,999.[16]
- Democrats have also called for an extension of the college tuition tax deduction, which expired at the end of 2005, and have proposed increasing the allowable deduction to $12,000. In the 2003 tax year, 7,551 Wyoming students and families benefited from the tuition tax deduction.[17]

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[5] College Board, 2006.
[6] State PIRGs' Higher Education Project "Paying Back, Not Giving Back: Student Debt's Negative Impact on Public Service Career Opportunities," April 2006.
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[9] State PIRGs' Higher Education Project "Paying Back, Not Giving Back: Student Debt's Negative Impact on Public Service Career Opportunities," April 2006.
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[13] Calculations by the Project on Student Debt at the Institute for College Access and Success from campus data available on www.economicdiversity.org. Includes only campuses reporting total debt through the Common Data Set initiative. Averages are weighted by campus enrollment.
[14] HELP Committee estimates calculated using the U.S. Department of Education's "Income Contingent Repayment Plan Calculator" (http://www.ed.gov/offices/OSFAP/DirectLoan/RepayCalc/dlentry2.html), using average debt levels calculated by the Project on Student Debt at the Institute for College Access and Success from campus data available on www.economicdiversity.org. Calculations based on formula for current Income Contingent Repayment option in the Direct Loan Program (either 20% cap on income or income percentage factors); actual reduction in monthly payment resulting from Democratic proposal to cap payments at 15% of income might differ slightly from estimates provided. Democratic proposal also expands income contingent repayment option to all borrowers.
[15] American Council on Education.
[16] HELP Committee calculations based on data provided by American Council on Education.
[17] IRS Statistics of Income Division, Tax Year 2003, data compiled by the Senate Finance Committee.