



NATIONAL DIRECT STUDENT LOAN COALITION

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Education Reform Bill Positioned to Put Students Ahead of Special Interests

Statement of Nancy Hoover, Chair of the [National Direct Student Loan Coalition](#), representing over 2000 Direct Loan Colleges and Universities serving millions of students nationwide, urging Congressional support of H.R. 4872

Washington, D.C., March 19, 2010: "On behalf of National Direct Student Loan Coalition (NDSLC) I commend Speaker Nancy Pelosi and Education Chairman George Miller for taking the difficult but bold step to put college students nationwide ahead of special interests and the status quo. The Coalition asks all Members of Congress to support the student aid reform proposal included in H.R. 4872. This legislation will not only prevent significant reductions in Pell Grants that are on the horizon, but will also increase Pell, the basic federal education grant for college students.

As financial aid administrators at schools already participating in the Federal Direct Student Loan Program, we are confident that a single federal direct loan origination system will be a great benefit to students, taxpayers and schools. The CBO reports that the transition to direct lending will make billions available to pay for increased support for education – a goal that we wholeheartedly support.

The NDSLC represents all institutions that participate in the Direct Loan (DL) program. In the 2009-10 academic year, 2,300 schools successfully originated Direct Loans. Nearly all institutions nationwide are now ready to begin originating Direct Loans beginning July 1 of this year. We are also confident that schools can make the transition to the Direct Loan Program by July 1, 2010 with minimum cost and effort.

Schools that have transitioned during the last year have reported overwhelmingly that the transition was easier and less expensive than expected. Our Coalition of volunteers will continue to work with the Department and our colleagues to offer assistance and advice as schools make this transition.

The Department of Education has demonstrated its ability to administer the Federal Direct Loan program, to assist schools transitioning and to prepare for 100% Direct Lending. From our experience, we know that the Department can manage this transition and continue to provide a secure, stable and efficient federal loan program for all borrowers.

The time has come for Congress to vote for student success over lender profits. The support provided to students nationwide will help them afford the higher education they so desperately want and our country needs."