

Statement of Robert Shireman

Joint Informational Hearing of the Assembly Committee on Banking & Finance
and the Assembly Higher Education Committee, California State Legislature

Sacramento, June 9, 2008

Thank you for the opportunity to testify today. I am Robert Shireman, the president of the Institute for College Access & Success, a national, nonprofit research and policy organization based in Berkeley. I have nearly 20 years of experience working on higher education policy issues, first as an aide to former U.S. Senator Paul Simon of Illinois, and then in the Clinton White House at the Office of Management and Budget and the National Economic Council (where, among other things, I monitored the creation of a performance-based organization to manage financial aid programs at the federal level). For the past few years I have led the Institute's successful efforts to improve repayment plans on federal student loans.

In less than a generation, we have gone from a nation where fewer than half of our college graduates had student loans, to two-thirds graduating with loan debt. This is a result of rising college costs, grant aid that has not kept pace, wider availability of loans, and stagnant wages both for families and for students who work. A college degree has become the ticket to the middle class, and loans are now critical to earning that degree. For the sake of our economy and our communities, public policies must ensure that student loans are available and affordable. Californians need to be able to count on federal loans so that they do not scuttle their college plans or hurt their chances of completing a degree by working when they need to be studying.

