



Higher Education and Employment Advancement Committee

March 5, 2015

Testimony

By

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Co-Chairs, Ranking Members, and Members of the Banks and Higher Education and Employment Advancement Committees, thank you for allowing me to submit written testimony today on the student loan bills that are under consideration today.

At the onset, I would like to reaffirm UConn's commitment to access, affordability and quality. Collectively, these principles guide the University as it strives to meet the expectations and aspirations of Connecticut's students and their families, as well as Connecticut's elected officials and taxpayers. Please know we continue to do all we can to keep the University affordable and minimize the amount of loans our students need. In fact, despite cuts of more than \$35.1 million since 2009, we have done our best to keep tuition increases as minimal as possible. UConn's continues to try to provide the best financial aid package to those who need assistance most. Since 1996, the University has more than quadrupled the amount of tuition and fee revenue set aside for financial need and merit based aid from \$17.4 million to \$93 million this year.

Our commitment to students and their families has been recognized by independent authorities like Kiplinger's Personal Finance, which has consistently named UConn as one of the 'best value' public universities in the nation – this year ranking UConn among the top 30 best values of public research universities.

We collaborated with the Program Review and Investigations Committee last year on an in-depth study of UConn's affordability and are pleased that the report showed that the University of Connecticut is providing an affordable, high-quality education for our students, regardless of their economic means. As you know, the report found specifically:

Compared to its peers, UConn's prices are about in the middle or lower, and the cost of attending UConn has grown at a rate much lower than comparable institutions. According to the report, while the median cost of attending a state flagship university increased by 22 percent between 2008-09 and 2011-12, the increase at UConn was 9 percent.

UConn's federal student debt generally compares favorably to similar universities, and UConn short-term student default rate is low at 2.7 percent.

The University's approach to financial need-based aid is very straightforward. Our top priorities are:

- Target need-based aid beginning with students at the lowest-income levels;
- Provide students with consistent, reliable financial aid packages throughout their tenure at UConn; and,
- Provide academic and student support services to ensure students graduate on time, thereby limiting their reliance on financial aid.

These basic tenets have enabled us to assist students in borrowing the least amount possible while completing their degrees in a timely fashion. The average indebtedness of a UConn student who borrowed from federal loan programs is well below the national average \$24,600 compared to the national average of \$29,400 — a direct result of the University's substantial financial commitment to supporting students in need.

With all this as background, I would like to offer the University's support to all of the legislation under consideration today. These bills:

- allow students with more and better options when refinancing their student loans,
- increase financial literacy for all students; and
- enhance protections for students who need to borrow to finance their college education.

UConn applauds both Committees for raising these important bills. If enacted, these bills will make it easier for students and their families to finance their college education.

I look forward to working with the General Assembly on these bills. Please let us know if you have any questions or require additional information.

Again, thank you for allowing me to submit written testimony and for your continued support of the University of Connecticut.