

Administration of Barack Obama, 2012

Remarks in a Discussion With Students and Parents at Washington-Lee High School in Arlington, Virginia

May 4, 2012

[*The President's remarks were joined in progress.*]

The President. What I'm going to be talking about today is obviously financing college educations. And I tell a story about how both Michelle and I, we had to rely on student loans and grants and scholarships to get through college and law school, and we still had a huge amount of debt after we graduated. It paid off, it's a great investment, but obviously, we're pretty sympathetic to the challenges that families go through in terms of financing.

And so I just wanted to get a sense—all of you are going to be taking out Stafford loans. And two things I wanted to get a sense of—number one, I'm assuming that a doubling of the interest rates is not helpful to you, but feel free to talk about that. I also wanted to get a sense of how it was to apply for them, because one of the things Arne and I and others in the administration have talked about is how do you simplify the process just to make it a little bit easier for people. Because I know that—and based on your chuckle, it sounds like that's something that we need to do. But——

Anybody want to start?

Secretary of Education Arne Duncan. How was the financial aid form itself? Was that scary? Was it easy? Was it hard?

Student. Pretty easy. It was kind of like filling out a college application, so that made it really easy. Fast, so it pretty much did it all for you.

The President. Oh, good.

Secretary Duncan. That's what I like to hear. Other folks—filling out the FAFSA?

Student. It was pretty easy.

Secretary Duncan. It used to be really, really tough, and we worked with the IRS to simplify that. I was scared to partner with the IRS—[*laughter*]—but they did a great, great job. The form itself used to be a barrier to going on. So what was your sense on it?

Student. I did it in my college summit class, and my teacher helped me with it.

Secretary Duncan. How was it?

Student. It was easy.

The President. Good. Parents, how are you feeling about this whole college cost thing?

Parent. Well, Brendan is my third one in school right now, and I have one more that will be coming up—so four.

The President. So you're a pro. [*Laughter*]

Parent. Yes. [*Laughter*] We go through that every year.

The President. And how about you? Do you have other kids who are—you've got to be thinking about?

Parent. Yes, I have one—two that are in community college now, and so then she's going to go on to a 4-year university. But for Amirah, she is going straight to a 4-year university, and the cost is a lot more than community college. So we're looking at all our options: grants, scholarships, and definitely the Stafford loans.

The President. Just to be able to afford it. So it's a big chunk to handle.

How about you?

Parent. Well, Rina is my first one to go to college. I have two more; they're small right now. One is in third grade, and my last one is almost pre-K.

The President. Okay, so you've got things spaced out a little bit. That's good.

Well, there are two things that we're focused on. One is obviously keeping loan rates low. The second thing, though, is to actually try to lower college cost itself. And we've met with colleges and universities—the inflation rate on college has actually gone up faster than health care, which is pretty hard to do.

And some of it is not actually the fault of the universities. If it's a State school, the State legislatures across the country have been cutting back on the support for public colleges and universities. And the only way these colleges a lot of times can make it up is by raising tuition. They've got higher health care costs that they have to deal with. But some of it is, I think, a lack of creativity in terms of thinking about how do you keep costs down. All of you guys, when you get to school, you're going to have to think about making sure that you're not loading up yourselves with a lot of debt unnecessarily.

Everybody here is going to be living in dorms?

Students. Yes.

The President. And eating ramen noodles or? [*Laughter*] But I think you guys are in a good position because in addition to being able to take out student loans and having parents who are obviously interested and engaged in the process, what we're trying to do is to, through a variety of channels, provide more information to students so that they can plan ahead about what their debt loads might be when they graduate. And that's something that, frankly, when we were going to school we didn't really have a good idea. And a lot of kids ended up being surprised by how much things—

Secretary Duncan. Knowing 4-year costs, knowing the loan repayments. We're trying to do some things to reduce loan repayments at the back end—something called income-based repayment, IBR—you can take a look at. But helping the front end, know what your costs are, more transparency, and help at the back end. So we're trying to do all those things. As the President said, push States to invest and push colleges to be reasonable. These are tough times, and don't get carried away, and a lot of colleges are doing it well; some aren't. So we're trying to challenge them as well.

The President. So the—but overall, it sounds like you guys are all set. I'm excited for you.

[*At this point, the discussion continued, and no transcript was provided.*]

NOTE: The President spoke at 11:35 a.m. Participating in the discussion were Brendan Craig, student, Washington-Lee High School, and his father Tim Craig; Amirah Delwin, student, Washington-Lee High School, and her mother Kezia Truesdale; and Rina Castaneda, student, Washington-Lee High School, and her mother Elma Molina.

Categories: Addresses and Remarks : Washington-Lee High School in Arlington, VA, discussion with students and parents.

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