

## Texas Aims to Reduce Student Debt with College Access Loan Interest Rate Reduction

**March 25, 2019, Austin, Texas** – The [60x30TX](#) student debt goal is intended to bolster higher education attainment and support a prosperous Texas economy by helping students manage student debt. To help achieve that goal and assist with college affordability, the Texas Higher Education Coordinating Board today announces a reduction in its College Access Loan (CAL) interest rate from 5.3 percent to 5.2 percent, effective on new loan applications certified on or after May 1, 2019.

“Our goal is to make higher education more accessible and affordable for Texas students as they pursue education and training beyond high school,” said Texas Higher Education Commissioner Raymund Paredes. “Thanks to the prudent management of our College Access Loan program, Texas is able to lower the College Access Loan interest rate to help more students and families manage their education-related financial obligations and focus on successfully completing postsecondary credentials. It is important in our ongoing efforts to help move students into the workforce without crushing debt.”

The CAL program is a state managed student loan program that is self-funded and is not supported by state tax revenue. Student loans from this program are available to both undergraduate and graduate students attending public or private non-profit institutions of higher education. The new 5.2 percent rate is one of the lowest in the country for comparable undergraduate and graduate student loans. Along with a low fixed interest rate, the CAL program has no origination fees and does not capitalize loan interest while student borrowers are attending school, thus saving students money over the life of their loans. Borrowers who begin making payments and choose the monthly automated (ACH) payment option will receive an additional 0.25 percent interest rate reduction from the time the automated withdrawals begin and while maintaining automated ACH payments. These actions help the CAL program to ensure an accessible and affordable alternative for students who need to borrow to attend a higher education institution in Texas.

For eligibility requirements and more information on the College Access Loan program and other financial assistance offerings from the THECB, please visit [www.hhloans.com](http://www.hhloans.com).

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**THECB Mission Statement**

*The mission of the Texas Higher Education Coordinating Board is to provide leadership and coordination for Texas higher education and to promote access, affordability, quality, success, and cost efficiency through 60x30TX, resulting in a globally competitive workforce that positions Texas as an international leader.*