

Altmire Joins House and Senate Leadership in Sending Historic College Aid Bill to President's Desk

(Washington, DC) - U.S. Representative Jason Altmire (PA-4) joined House and Senate leadership today at an enrollment ceremony to send the historic College Cost Reduction and Access Act to the president's desk for his signature. The legislation will make the single largest investment in college financial assistance since the 1944 GI Bill, at no new cost to taxpayers. Congressman Altmire, a member of the House Education and Labor Committee, was one of a select group of House and Senate lawmakers appointed to the conference committee, where he helped to negotiate and approve the final version of the bill. The College Cost Reduction and Access Act was passed by overwhelming bipartisan majorities in both the House and the Senate on September 7. The Administration has announced that President Bush will sign the bill into law.

"Each year, the cost of a college education goes up, putting increased pressure on the ability of students and their families to afford tuition," said Congressman Altmire, a member of the House Education and Labor Committee. "The College Cost Reduction and Access Act is the single largest investment in higher education in the last 60 years, boosting college financial aid by more than \$20 billion and cutting interest rates on subsidized student loans in half. This legislation will help families in western Pennsylvania and across the country send their children to college and help prevent them from being saddled with debt when they graduate."

"I really appreciate Congressman Altmire's leadership on behalf of college students and their families to make higher education more affordable," said Carmen Berkley, a recent graduate of the University of Pittsburgh and Vice President of the United States Students Association. "I have nearly \$80,000 in student debt and this legislation certainly would have lowered the cost of my college education and made my debt more manageable. This is a long fight for students and their families everywhere, and the College Cost Reduction and Access Act is an historic achievement in making the dream of a college education a reality for thousands of students in Pennsylvania."

The College Cost Reduction and Access Act increases the maximum value of the Pell Grant scholarship by \$1,090 over the next five years, reaching \$5,400 by 2012, representing an increase from \$4,050 in 2006. Over 180,000 students in Pennsylvania currently receive Pell Grant scholarships and a total of 5.5 million low- and moderate-income students will benefit from this increase nationwide.

The legislation also cuts the interest rates on need-based loans in half, from 6.8 percent to 3.4 percent, over the next four years. Once fully phased-in, this would save the typical student borrower in Pennsylvania \$4,400 over the life of the loan. Nationally, about 6.8 million students take out need-based loans each year, including 212,000 in Pennsylvania. The bill pays for itself by reducing excessive federal subsidies paid to lenders in the college loan industry by \$20.9 billion. It also includes \$750 million in federal budget deficit reduction.