



News from

Congressman Ron Kind

REPRESENTING WISCONSIN'S THIRD
CONGRESSIONAL DISTRICT

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Kind Votes, House Approves Massive Reduction in Student Loan Rate

Once Fully Phased in, Bill Would Save Average Wisconsin Student Borrower \$4,280

Washington, D.C. – Today, Rep. Ron Kind (D-WI) voted to make college more affordable and accessible by cutting the interest rate on subsidized student loans for undergraduates in half - from 6.8 percent to 3.4 percent over the next five years. Once fully implemented, the reduced rate will result in savings of \$4,280 for Wisconsin students receiving federally subsidized Stafford loans.

“With the cost of college skyrocketing in recent years, there is no question that our nation is facing a serious crisis in college affordability,” stated Rep. Kind, whose Third Congressional District boasts five four-year public universities, one four-year private college, and numerous vocational college campuses. “As a member of the House Education and Labor Committee, I fought hard to expand college access and lower the costs college for students and their families. Today, I am proud to vote for the College Student Relief Act, which represents a down payment on a life-long investment in our children’s education and the economic future of our country.”

The College Student Relief Act of 2007 (H.R. 5) will cut interest rates in half for 5.5 million undergraduate students with subsidized student loans, including more than 75,000 students in Wisconsin, of which nearly half attend school in Kind’s Third Congressional District. Once fully phased in by 2011, the rate reduction will result in savings of \$4,280 for the average Stafford loan borrower in Wisconsin – nearly the cost of a full year of tuition at a four-year University of Wisconsin institution.

Making college more affordable is particularly important at a time when the costs of attending college continue to skyrocket. Tuition and fees at four-year public colleges and universities have risen 41 percent after inflation, since 2001. Further, students are relying on loans more than ever to pay for college; loans represented 52 percent of all college aid to undergraduate students this year. Wisconsin students with Stafford loans graduate with an average loan debt of \$13,379.

“America is number one in the global economy, and we can stay number one if we make aggressive investments in education, innovation, and future generations,” pointed out Rep. Ron Kind. “Cutting interest rates on student loans is only the first step in making college more affordable. In the new Congress, we must do everything possible to address rising costs so that no qualified student is prevented from going to college because of the price. Later this year, Congress will work to increase the maximum Pell Grant scholarship and take other important steps to reduce the financial barriers to a college education.”