



News from

Congressman Ron Kind

**REPRESENTING WISCONSIN'S THIRD
CONGRESSIONAL DISTRICT**

1406 Longworth House Office Building • Washington, D.C. 20515 • (202) 225-5506

FOR IMMEDIATE RELEASE
Wednesday, July 11, 2007

Contact: Anne Lupardus
Phone: 202-225-5506

Rep. Kind Votes to Pass Single Largest Investment in Higher Education Since the GI Bill

Washington, DC – U.S. Rep. Ron Kind today joined a bipartisan majority in Congress in approving H.R. 2669, the College Cost Reduction Act, which provides the single largest investment in higher education since the 1944 GI bill, helping millions of students and families pay for college, at no new cost to taxpayers.

“This new investment couldn’t come at a more important time,” Rep. Kind said. “College costs have grown nearly 40 percent in the last five years. Students are graduating from college with more debt than ever before. And many would-be students are holding off on going to college, or skipping it altogether, because they don’t believe they can afford it.”

The College Cost Reduction Act would boost college financial aid by about \$18 billion over the next five years. This would include \$225 million in loan and Pell grant aid to Wisconsin students and families. The legislation is paid for by reducing excessive federal subsidies paid to lenders in the college loan industry.

Under the legislation, the maximum value of the Pell Grant scholarship would increase by \$500 over the next five years. When combined with other Pell scholarship increases passed or proposed by Congress this year, the Pell’s maximum grant will reach \$4,900 in 2008 and \$5,200 in 2011, up from just over \$4,000 in 2006. Nearly 80,000 Wisconsin students would benefit from this increase.

The legislation would also cut interest rates in half from on need-based student loans, reducing the cost of those loans for millions of student borrowers. Once fully phased-in, this would save the typical Wisconsin student borrower (\$14,000 in need-based student loan debt) more than \$4,000 over the life of their loan.

“This bill shows that with smart policy, we can be responsive to the concerns of families in western Wisconsin, while maintaining fiscal responsibility,” Rep. Kind said. “By boosting scholarships and reducing loan and tuition costs, this legislation is making an historic investment in America’s college students, its economic competitiveness, and its future.”

The College Cost Reduction Act includes a number of other provisions including:

- Tuition assistance for excellent undergraduate students who agree to teach in public schools;
- Loan forgiveness for college graduates that go into public service professions;
- Increased federal loan limits so students won’t have to rely as heavily on costlier private loans; and
- Strategies to contain the increasing cost of tuition.