

(July 11,2007) Representative Lipinski Helps Pass Bill to Make College More Affordable

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Legislation Boosts Scholarships and Reduces Loan and Tuition Costs for Middle Class Families

WASHINGTON - Today, Representative Dan Lipinski (D-IL) helped pass H.R. 2669, the College Cost Reduction Act of 2007, in the U.S. House of Representatives. This legislation would make the single largest federal investment in college financial aid since the GI Bill of 1944, providing students with about \$18 billion over the next five years. In doing so, the bill will help students from America's middle class pay for college, while imposing no new costs on taxpayers.

"As a former professor I know how critical a college education is, and I also understand how expensive it has become," said Lipinski. "College costs have grown nearly 40 percent in the last five years alone. This bill will provide significant help in making college more affordable for millions of students and families."

The College Cost Reduction Act raises the Pell Grant scholarship value by \$500 by 2011, benefiting about 230,000 students in Illinois. When combined with other Pell scholarship increases passed or proposed by Congress this year, maximum Pell Grants could reach \$5,200 by 2011, a 30 percent increase from 2006. The bill also will cut interest rates in half on need-based student loans over the next five years, from 6.8 percent to 3.4 percent, saving every Illinois student \$4,510 over the life of their loans.

In addition, the bill will provide tuition assistance for excellent undergraduate students who agree to teach in the nation's public schools, and it will provide loan forgiveness for college students that go into public service professions. The legislation will be funded by cutting excess subsidies paid by the federal government to lenders in the student loan industry, preventing any new costs from being imposed on taxpayers.

"Making college more affordable is particularly important at a time when the costs of attending college continue to skyrocket," said Lipinski. "I will continue to work to address the rising costs of education so that no qualified student is prevented from going to college because of the price and the crushing burden of college loans. Our action today will make a real difference in the lives of millions of students and their families."

The legislation now moves to the United States Senate for further consideration.