

September 17, 2009

Washington, D.C. – Today, Congressman Jerry McNerney (CA-11) backed legislation that will help more students access a college education. H.R. 3221, the Student Aid and Fiscal Responsibility Act (SAFRA), carries no new cost for taxpayers.

“It’s vitally important that we give our students the resources they need to attend college,” said Rep. McNerney. “This legislation will help more young people access the dream of a higher education. It’s an investment in their future and in the future economic strength of this country.”

SAFRA will reform the current system of federal student loans and make new investments into important programs such as the Pell Grant scholarship and Perkins loan programs.

Specifically, the Student Aid and Fiscal Responsibility Act would:

- Increase the maximum annual Pell Grant scholarship to \$5,550 in 2010 and to \$6,900 by 2019. More than 7 million students currently utilize Pell Grants.
- Strengthens the Perkins Loan program, which offers low-cost federal loans to students, by providing more reliable forms of credit and expanding the program to more colleges.

- Keeps interest rates low on need-based federal student loans by making interest rates on these loans variable beginning in 2012. These interest rates are currently set to jump from 3.4 percent to 6.8 percent in 2012.

H.R. 3221 passed the House by a vote of 253-171.