



Floor Statement of Representative John D. Dingell
H.R. 4628, the Interest Rate Reduction Act
April 27, 2012

As we continue to recover economically, we must ensure that students can afford a higher education. In 2007, as we were dealing with the worst of the recession, I voted in favor of legislation to reduce interest rates on Stafford loans from 6.8 to 3.4 percent. On July 31, interest rates will go back to 6.8 percent if Congress does not act.

There are nearly 48,000 students attending a university or college in my district who have a Stafford subsidized student loan. Those loans total over \$212 million. Doubling the interest rate will add an unnecessary burden on those students as they graduate and enter the workforce. For each year that Congress does not act to keep rates at 3.4 percent, students add an additional \$1000 in debt over the life of their loans. It may prevent them from starting a family, buying a home, or getting a new car. We must do everything we can to help as they get started.

The cost of the student loan bill is \$6 billion. Unfortunately, Republicans have chosen to pay for it by repealing the Prevention and Public Health Fund included in the Affordable Care Act that invests in innovative programs, practices and treatments to prevent cancer, heart disease, diabetes, and programs particularly important to women's health. We should not have to choose how we are going to invest in our country's future; how do you decide to cut investments in the education for the workforce of tomorrow versus the health of that very same workforce?

I support the Democratic alternative negotiated between the White House and Congressional Democrats that pays for the student loan interest rate by closing a corporate tax loophole. I hope that the House leadership will allow a vote on this commonsense alternative so students and their families aren't left paying for higher interest rates to go to school. Republicans know that their proposal cannot be supported by Democrats. They don't seem to know that by not finding a compromise, they are playing politics with students, families, and the future of our country.