

September 17, 2009

Student Aid and Fiscal Responsibility Act Passes the House

Washington, DC – Today, Rep. Ben Ray Luján voted to improve financial aid for students and families, making a historic investment in the education of New Mexico students. The Student Aid and Fiscal Responsibility Act (SAFRA) (H.R. 3221) will expand access to an affordable college education, increase opportunities for children to receive early education, and improve our community college system – all at no cost to taxpayers. The bill passed the House of Representatives by a vote of 253 to 171.

“Higher education is an important building block that can help lay a foundation for future success,” said Rep. Luján. “As more families struggle during this economic crisis and the cost of college is rising, it is important that we expand opportunities and make higher education attainable. By making student financial aid more affordable and accessible, we will provide more students with the means to achieve their dreams and to better our communities for a brighter tomorrow.”

In New Mexico's 3rd Congressional District, \$98.8 million will be invested in higher education grants. 20,326 students in the district will be eligible to receive Pell Grants in 2010.

The Student Aid and Fiscal Responsibility Act:

- Increases Pell Grant scholarships from \$5,550 in 2010 to \$6,900 in 2019
- Links Pell Grants to the Consumer Price Index plus 1 percent in order to meet cost of living increases, starting in 2011
- Lowers interest rates on need-based (subsidized) federal student loans
- Improves access to the Perkins loan program by expanding it to every U.S. college campus
- Simplifies the FAFSA form, making applying for financial aid easier
- Saves the taxpayers \$87 billion and directs \$10 billion back to the Treasury to reduce entitlement spending by reforming the federal student loan system

For more information about the Student Aid and Fiscal Responsibility Act, visit: <http://edlabor.house.gov/blog/2009/07/student-aid-and-fiscal-respons.shtml>