

Mitchell Votes to Make Historic Investment in Higher Education

Tuesday, 10 July 2007

WASHINGTON, D.C. – U.S. Rep. Harry Mitchell today voted in favor of the College Cost Reduction Act – the single largest investment in student aid since the GI Bill – boosting federal financial aid available to students at Arizona colleges and universities by a total of \$714 million over the next five years.

“As a former teacher, I’ll always value the role of education in our communities and economy,” said Mitchell. “The cost of attending college continues to rise in Arizona and across the country. This is an important and historic step toward making sure that qualified students are never denied a degree because of a lack of financial aid.”

H.R. 2669, which passed the House by a vote of 273-149, would boost college financial aid by about \$18 billion over the next five years at no cost to taxpayers. The College Cost Reduction Act pays for itself by reducing excessive federal subsidies paid to college loan lenders by \$19 billion. The additional \$1 billion goes toward reducing the federal budget deficit.

Similar to the College Student Relief Act of 2007, which the House passed earlier this year, the College Cost Reduction Act would cut interest rates from 6.8 percent to 3.4 percent in equal steps over the next five years. The rate cut would save Arizonans an estimated \$4,730 over the life of the loan at a four-year school.

Mitchell’s vote raises the maximum value of the Pell Grant scholarship by \$500 over the next five years.

More than 33,000 Arizona students take out need-based loans each year at four-year public schools.

Arizona State University, which is located in the Fifth District, with an enrollment of more than 63,000, is one of the nation’s largest universities. The district also includes Mesa, Scottsdale and Rio Salado community colleges.