

Washington, DC -- Today, U.S. Representative Michael A. Arcuri (D-Utica) joined local college and university presidents, students, and faculty members to discuss a historic increase in college financial aid, recently signed into law, so that local families can take advantage of new access to higher education.

“This bill will help local students and families access higher education at a time when college costs are skyrocketing,” **said Arcuri**. “In today’s global economy, education is the key to our children’s future and the future of Upstate New York. Last year, I pledged to make sure Upstate families weren’t priced out of a good education. Now that Congress has acted, I want to make sure that local students know there are new resources to pay for college and encourage people who might have put off higher education to go back to school. Cutting interest rates on student loans and increasing critical Pell Grant awards is a huge step for families across the country.”

The College Cost Reduction and Access Act will boost college financial aid by more than \$20 billion over the next five years – including increasing financial aid \$2,217,665 for college students in New York. The bill pays for itself by reducing excessive federal subsidies paid to lenders in the college loan industry by \$20.9 billion. It also includes \$750 million in federal budget deficit reduction.

In New York, 243,696 students take out need-based loans each year at public 4-year schools – causing a typical student to accumulate \$14,276 of debt. In the 24th district alone, there are 12,681 borrowers, attending our eight four-year colleges and universities and four two-year institutions.

“We are grateful and indebted to Congressman Arcuri and other members of the House for their commitment to reducing the debt load that many of our students might face,” **said Randall J. VanWagoner, President of Mohawk Valley Community College**

. “Despite our very affordable tuition, the vast majority of students at MVCC still require financial assistance of one form or another to meet their obligations. Reducing the impact of repaying their loans through reduced interest rates as well as making more Pell dollars available will make a huge difference for them.”

“At SUNYIT, more than 80 percent of our students are receiving some form of financial aid. This historic increase in financial aid will ensure more students have the advantage of an education that will lead to their personal success, and their future contributions to a healthy economy,” **said SUNY IT President Peter Spina**

. “Thanks to Congressman Arcuri, our current students and those who come after them will reap the benefits of this important investment in our future.”

“The College Cost Reduction and Access Act is a historic step toward realizing a dream that all of us share, making a college education accessible and affordable for every motivated student,” said **Utica College President Todd S. Hutton who was unable to join Arcuri at MVCC**. “I applaud Congressman Michael Arcuri and his colleagues in the U.S. House of Representatives for their tireless effort, unwavering commitment, and extraordinary vision.”

Under H.R. 2669, the maximum value of the Pell Grant scholarship would increase by \$1,090 over the next five years, reaching \$5,400 by 2012. Close to 6 million low- and moderate-income students would benefit from this increase.

To reduce the cost of loans for millions of student borrowers, H.R. 2669 would cut interest rates in half on need-based student loans, from 6.8 percent to 3.4 percent over the next four years. Once fully phased-in, the interest rate cut would save the typical New York student borrower with need-based loans \$4,570 over the life of the loan.

In addition, the legislation would ensure student borrowers do not face unmanageable levels of federal student debt by guaranteeing that borrowers will never have to spend more than 15 percent of their yearly discretionary income on loan repayments and by allowing borrowers in economic hardship to have their loans forgiven after 25 years.

H.R.2669 includes a number of other provisions to ease the financial burden on students and families such as tuition assistance for excellent undergraduate students who agree to teach in public schools and loan forgiveness after 10 years of public service.

Arcuri was joined by MVCC President Randall VanWagoner; SUNY IT President Peter Spina; Pat Quinn, Vice President for Enrollment Management at Utica College; Anita Elliot, Executive Director of Student Financial Services at Utica College; and Laura Casamento, Vice President for Institutional Advancement at Utica College. Students and faculty members from area universities and colleges also joined Arcuri.

###