

(Ewing Township, NJ) – U.S. Rep. Rush Holt (NJ-12) today joined undergraduates and the presidents of several New Jersey colleges at The College of New Jersey to call on Congress to prevent student loan interest rates from doubling on July 1.

“We have 58 days left to fix this – 58 days to prevent students from facing higher costs when they start classes next year,” Rep. Holt said. “On Monday night I hosted a student financial aid workshop. We had an overflow crowd of students and parents from across Central New Jersey. No one there asked how we could make it harder to attend college. They need help, not a \$1,000 hike in the cost of attending school.”

If Congress fails to act, the interest rate on more than 7 million students who receive federal student loans will increase from 3.4 percent to 6.8 percent on July 1, 2012. Failure to act will add \$6.3 billion to students’ debt burden in one year alone, costing the average student borrower about \$1,000 in additional repayment costs. In New Jersey, 143,892 students will be forced to pay an additional \$115 million in the next year alone.

Dr. R. Barbara Gitenstein, president of The College of New Jersey, said, “TCNJ is routinely lauded as one of the best values in the nation, but even here, the cost of attaining a degree would be out of reach for some without generous aid programs and subsidized loans for low-income students. More than 50 percent of TCNJ students receive Stafford loans at present, and that number grows by about three percent annually.”

Rising tuition costs have led more and more students to rely on loans to afford a college education. Two-thirds of the class of 2010 graduated from college with student loan debt; those graduates left school owing an average of \$25,000.

The Republican majority in the U.S. House of Representatives has voted twice this year to allow student loan interest rates to double and to cut higher education by a total of \$166 billion. In the face of mounting political pressure, House Republicans backtracked last week and introduced legislation that claims to prevent the rate hike. That measure, however, included a deliberate “poison pill”: the elimination of the Prevention and Public Health Fund, a crucial program that improves wellness by controlling obesity, reducing tobacco use, preventing the spread of HIV/AIDS, and more. Since 2010, the Fund has provided [more than \\$20.6 million to New Jersey organizations](#) to improve

public health.

Rep. Holt has cosponsored legislation, HR 4816, to prevent the rate hike and to pay for the cost by eliminating tax subsidies to the Big Oil companies. The Senate is expected to consider this legislation next week.