



Great Public Schools
for Every Child



January 10, 2007

The Honorable George Miller
Chair, Committee on Education and Labor
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Miller:

On behalf of the more than 4 million members of both the American Federation of Teachers (AFT) and the National Education Association (NEA), we applaud your efforts to make college more affordable. Specifically, we believe your proposed College Student Relief Act of 2007 (H.R. 5), which would cut the current interest rates on subsidized undergraduate student loans in half, represents a critical first step in reducing the college debt that burdens millions of students.

With college costs on the rise, more students have to take out greater loans to cover their tuition and other college costs, while incurring record student debt. In 2003-04, the median student debt borrowed to finance a bachelor's degree was \$19,300.

H.R. 5 will help ease some of the burden students face by phasing in interest rate cuts over five years for undergraduate borrowers of new subsidized student loans from a fixed rate of 6.8 percent to a fixed rate of 3.4 percent. Once fully phased in, the interest rate cut is estimated to help ease the financial burden of more than 5.5 million undergraduate students. We look forward to working with you on the details of this legislation to ensure swift enactment of these much needed savings for students.

In addition to helping students lower the cost of their loans, we are eager to work with you on other important federal higher education policy issues, including increasing the Pell Grant maximum.

We thank you for your constant support on these critical issues.

Sincerely,

Kristor Cowan
Director, Legislation Department
American Federation of Teachers

Diane Shust
Director, Government Relations
National Education Association

Randall Moody
Manager, Federal Policy and Politics
National Education Association