

Washington, DC -- Congressman Vern Buchanan (R-FL 13) today helped pass the “College Cost Reduction Act” (H.R. 2669). The bill eliminates wasteful lender subsidies and redirects the funding toward increased Pell Grants and lower interest rates to help students and families pay for college.

“As a successful businessman who grew up in a blue-collar family, I know first-hand the benefits of a college education,” said Buchanan. “That’s why I feel strongly that every student with the desire and ability to go to college does so. I worked my way through school and I was the first in my family to graduate from college. But tuition increases have made it even harder for many families to afford higher education. This bill will help students and families pay for college, and it doesn’t cost taxpayers a dime.”

H.R. 2669 would, over the next five years, increase the maximum Pell grant to \$5,200; cut interest rates on subsidized student loans in half to 3.4 percent; and boost the federally backed loan limit by \$7,500, to \$30,500 over an undergraduate’s course of study.

The measure also would provide grants for students who become public school teachers, loan forgiveness for certain public-sector employees such as first responders, and income-contingent loan repayment. The bill passed the House of Representatives by a vote of 273 to 149.

According to congressional estimates, 336,909 Florida students who receive Pell Grant scholarships each year would see a total increase of \$762 million or \$500 each over the next five years. The Federal Pell Grant Program provides need-based grants to low-income students. When fully phased in, Florida students would also save \$4,370 in interest over the life of a four-year student loan.