

Washington, D.C. – This afternoon, Representative David Price (NC-04) voted in favor of compromise legislation reauthorizing transportation investments through 2014 and extending the low interest rate on need-based student loans for one year.

"This bill will create more than 2 million jobs in the transportation sector and allow over 7 million young people to attend college," Rep Price said. "We aren't just making investments in education and infrastructure; we are investing in America's future."

The bill authorizes highway and transit programs at current levels (\$105 billion) through 2014. Passage of the conference agreement comes more than 100 days after the Senate passed legislation similar to the conference report with 74 Senators voting in favor.

"This was a heavier lift in the House than it should have been, thanks to House Republican leaders, but it will create good jobs and much needed infrastructure in our communities," Rep. Price said.

Without the loan fix, 7.4 million students would have seen their loan rates double, costing each one an additional \$1,000 on average over the life of their loan. While pleased that a compromise was reached, Rep. Price cautioned that some of the provisions, included in the student loan portion of the legislation at Republican insistence, should be not be part of a permanent loan interest rate fix. The Republican provisions accelerate loan interest accrual for students.

"Education is the best investment we can make in our people, so I am pleased that Republicans came to the table—even if at the last minute—to help Democrats prevent student loan rates from doubling," Rep. Price said. "A one-year reprieve is better than none at all, but moving forward, we need a permanent fix that keeps college within reach. I'm very concerned that this bill ends the post-graduation interest grace period; it doesn't make a lot of sense to start charging young people interest the day they get out of school, especially in the current economic climate. The changes to graduate loans also are problematic and could deter some students from pursuing advanced degrees at a time when we should be incentivizing them, especially in critical science and math fields."

Making college more affordable has been a top priority for Congressman Price. In 1997, he successfully enacted legislation he had sponsored for 10 years to restore the tax deduction for interest on student loans. In 2007, he helped the Democratic-led Congress enact legislation that cut the interest rate on need-based student loans in half – to 3.4 percent – over five years.

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