

Office of the President

May 7, 2012

Dear Senator:

I write on behalf of the higher education associations listed below to express our strong support for enacting legislation to maintain the subsidized Stafford student loan interest rate at 3.4 percent. Allowing this rate to double, as it is scheduled to do on July 1st, would impose significant additional costs on more than 7.4 million students and their families.

We are very encouraged by the bipartisan interest in preventing the rate from rising to 6.8 percent in just over two months time. With interest rates on many consumer loans available at rates below 3.4 percent, raising student loan interest rates to 6.8 percent in this environment makes little sense and would create considerable hardship for students and their families. We particularly appreciate the effort made by Democrats and Republicans in both chambers to seek offsets from outside of student financial aid. In recent years, a number of benefits within the student loan programs have been eliminated in order to pay for other programs or to contribute to deficit reduction. Through a combination of reductions or eliminations of other student aid programs, we have witnessed an increased financial burden on our students.

Education has never been as important to America's economic health as it is now. That is why we are encouraged by the proposals we have seen. The administration and both parties have expressed their strong support for keeping the interest rate at 3.4 percent without cutting other forms of student aid. We urge Congress to continue their work and produce a final bill with bipartisan support.

Sincerely,



Molly Corbett Broad
President

MCB/ldw

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On behalf of:

ACPA - College Student Educators International
ACT, Inc.
American Association of Colleges for Teacher Education
American Association of Colleges of Nursing
American Association of Collegiate Registrars and Admissions Officers
American Association of Community Colleges
American Association of State Colleges and Universities
American Association of University Professors
American Dental Education Association
American Indian Higher Education Consortium
APPA, "Leadership in Educational Facilities"
Association of American Colleges and Universities
Association of American Law Schools
Association of American Medical Colleges
Association of American Universities
Association of Catholic Colleges and Universities
Association of Community College Trustees
Association of Governing Boards of Universities and Colleges
Association of Jesuit Colleges and Universities
Association of Public and Land-grant Universities
Association of Research Libraries
College Board
Council for Christian Colleges & Universities
Council for Opportunity in Education
Council for Advancement and Support of Education
Council of Graduate Schools
Council of Independent Colleges
CUPA-HR
Educational Testing Service
Hispanic Association of Colleges and Universities
NAFSA: Association of International Educators
NASPA - Student Affairs Administrators in Higher Education
National Association for College Admission Counseling
National Association for Equal Opportunity in Higher Education
National Association of College and University Business Officers
National Association of Independent Colleges and Universities
National Association of Student Financial Aid Administrators
National Collegiate Athletic Association
National Council for Community and Education Partnerships
Thurgood Marshall College Fund
U.S. PIRG

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UNCF

University Professional & Continuing Education Association

Women's College Coalition