



# *Push To Hold Rates On Student Loans*

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Henrietta, N.Y.--College students could see their educational expenses grow drastically starting in July.

Interest rates for Federally Subsidized Stafford Loans are scheduled to rise from 3.4 percent to 6.8 percent.

The increase would mean a student taking out the maximum (\$23,000) in Stafford loans would pay an extra \$5,000 over ten years according to the United States Public Interest Research Group.

"I am putting my shoulder behind legislation that would block the rate increase," said Sen. Charles Schumer (D-NY) who visited local college campuses Wednesday.

Undergraduates and future undergrads receiving new loans could face thousands more in interest payments.

"Some things would probably have to be pushed back, maybe starting a family--and it would be more important to find a job quickly," said Quentin Pedraza, a Rochester native and student at the Rochester Institute of Technology.

A bill introduced in the Senate earlier this year would hold the line on Stafford loan interest rates if it becomes law.

Some Republicans have raised concerns over the impact this would have on the federal deficit. Locally, Congressman Tom Reed (R-Corning) is among supporters of low interest college loans.

"Tom is in favor of keeping the subsidized Stafford loan interest rate at its current level without increase this July.

He also supports looking into ways to make it easier for students to refinance and consolidate their loans," said Tim Kolpien, Communications Director for Congressman Tom Reed.

Critics point to the ever-rising cost of college tuition, feeling low rates won't do much to end it.

"This is one of many things that happen in Washington about student aid that sound good. Sounds like it would be good for college students, but actually would make the problem worse by fueling rampant tuition inflation," said Neil McCluskey, Education analyst at The Cato Institute, a Libertarian think tank.

The average student graduates college with an average of \$25,000 in debt according to the Consumer Financial Protection Bureau.