

EDUCATION & LABOR COMMITTEE

Congressman George Miller, Chairman

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Chairman Miller Statement at Committee Mark-Up of H.R. 3221, the Student Aid and Fiscal Responsibility Act of 2009

WASHINGTON, D.C. – *Below are the prepared remarks of U.S. Rep. George Miller (D-CA), the chairman of the House Education and Labor Committee, for a committee mark-up of H.R. 3221, the Student Aid and Fiscal Responsibility Act of 2009.*

Today we consider the Student Aid and Fiscal Responsibility Act of 2009.

This bill makes a historic investment in higher education and expands high-quality educational opportunities to all Americans.

Last week, in a Washington Post op-ed, President Obama urged us to think about what kind of economy we want to rebuild.

This legislation is at the heart of the answer. It will give us the opportunity to create the kind of country and the kind of future that we all envision for our children.

And in his first six months in office, I think President Obama has been right to challenge us to do more, to insist on better for our children – especially in the area of education.

Now, over the past three years, this Committee has made a lot of progress to expand college opportunities for Americans.

We invested \$20 billion in additional college aid for families. We raised the Pell Grant scholarship by \$1,500, cut interest rates on federal loans for middle class students and made loans more manageable for all borrowers to repay, among other things.

But as the President has made clear, we've got a lot of work to do if we're serious about reversing the many trends that still stand to threaten our competitiveness.

Today, I'm very proud to say that we are considering legislation that will help write the next great education legacy for our country.

First, it will help us reach President Obama's goal of once again leading the world in college graduates by making college more affordable and accessible.

It will invest \$40 billion to increase the maximum Pell Grant scholarship award to \$5,500 in 2010 and to \$6,900 by 2019, linking it to match cost of living increases.

It will simplify the FAFSA form to make it easier to apply for federal student aid.

It will build on our efforts to make interest rates on loans affordable by making these interest rates variable beginning in 2012 – when they are set to jump from 3.4 to 6.8 percent.

It will provide more students with access to low-cost Perkins loans by expanding the program to many more campuses.

It will strengthen minority-serving institutions and programs that will help retain and graduate students.

Next, it will make an unprecedented \$10 billion investment in our community colleges to help them drive our economy's recovery.

For years, business leaders have told us there weren't enough workers with the knowledge and the expertise for their specific industries.

This bill will change that. It will build a 21st century workforce by strengthening partnerships among community colleges, businesses and job training programs that will align community college curricula with the needs of high-wage, high-demand industries.

It will also ensure that every student can learn in a safe, energy-efficient and modern environment by renovating and repairing our nation's schools – a measure that this Committee and the House have already supported.

Finally, we'll invest \$1 billion per year to help ensure that the next generation of children can enter kindergarten with the skills they need to succeed in school.

This legislation will transform early learning programs and improve the school readiness outcomes of children by insisting upon real change in state standards and practices.

It will support states that are ready to expect more from their early learning programs than just basic health and safety and are looking to undertake major reform and demand results.

It will build an effective and well-compensated early childhood workforce, integrate key quality standards, improve instructional practices, and better support parents in the early education of their children.

And all of these reforms are paid for – at no cost to taxpayers.

That's because we will pay for all of this by making common-sense changes to our student loan programs that will achieve two crucial goals at once.

By converting all new federal student loans to the Direct Loan program starting in July 2010, we will finally end wasteful taxpayer subsidies that are keeping a broken system afloat and we will insulate all federal college loans for families from future turmoil in the financial markets.

Students will have access to the low-cost loans they need, in any economy.

Our bill will also upgrade the customer service borrowers receive when repaying their loans.

Rather than force private industry out of the system, we'll maintain jobs and a role for lenders and non-profits by allowing them to compete for contracts to service these loans.

This simple change will save \$87 billion over ten years.

And, as part of our efforts to secure a stronger future for our children and the country they will inherit, we will direct \$10 billion of these savings to pay down our deficit.

Now, the lobbying fight over these changes is just heating up.

But I'd like to remind everyone of the choice before us. We can either keep sending these subsidies to banks and a broken system – or we can start sending them directly to students.

The fact that we are finally transforming these programs from one that puts banks before students to one that makes paying for college a better deal for families and taxpayers is a testament to this President.

It's proof that he is willing to change the way Washington works. I hope this Committee and this Congress will have the courage to stand with him on the right side of history.

This bill could not have been drafted without the leadership of many Members of this Committee.

On the higher education provisions of this bill, I'd like to thank Mr. Bishop and Mr. Hinojosa for their hard work.

On the early learning and school modernization provisions, I'd like to thank Ms. Hirono, Mr. Kildee, and Mr. Loeb sack for their tireless commitment and efforts.

I urge all my colleagues to support this legislation.

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