



For Immediate Release:
June 29th, 2012

For More Information:
Kevin Stump,
Higher Education Program Coordinator
kstump@nypirg.org
212.349.6460

CONGRESS ROBS PETER TO PAY PAUL: PELL GRANT PROGRAM CUT IS BIG LOSS FOR STUDENTS

While NYPIRG is thrilled that the interest rate is going to stay at 3.4% for another year, we are disappointed that the solution Congress could agree upon included using \$1.2 billion generated from limiting loan eligibility – money that would have been allocated to help fill the shortfall in the Federal Pell Grant program that has been on the chopping blocks for years.

Taking money away from financial aid programs means students will most likely turn to loans to pay for college, increasing the already tremendous national student debt. When Congress addresses this issue one year from now, they may be faced with filling an even greater shortfall to keep student loan interest rates low again – in addition to the already looming shortfall in the Federal Pell Grant program.

Increasing college costs and decreasing financial aid opportunities are pricing students out of higher education. Access and affordability to higher education remain unaddressed.

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