

BRUCE L. BRALEY
1ST DISTRICT, IOWA

VETERANS' AFFAIRS COMMITTEE
Ranking Member, Subcommittee on
Economic Opportunity

OVERSIGHT AND GOVERNMENT
REFORM COMMITTEE

POPULIST CAUCUS
Chairman

Congress of the United States
House of Representatives
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June 14, 2012

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The Honorable John Boehner
Speaker
U.S. House of Representatives
H-232, U.S. Capitol
Washington, DC 20515

The Honorable Harry Reid
Majority Leader
United States Senate
522, Hart Senate Office Building
Washington, DC 20510

Dear Speaker Boehner and Majority Leader Reid:

As you know, the interest rates on subsidized Stafford loans are scheduled to double in just over two weeks, unless congressional action is taken. I urge you both to stop playing politics and come to an agreement over this issue.

College students across Iowa and the nation are waiting for Congress to solve this problem. Many of them have no faith in our ability to come to an agreement. If you cannot come to an agreement then these students will see tens of thousands of dollars in extra costs when paying back their loans. For example, a student taking out the maximum \$23,000 in subsidized student loans would see an increase of \$5,200 over a 10-year repayment period and \$11,300 over a 20-year repayment period.

While college students wait, both sides continue to play political games. One solution offered would have us pay for this extension by forcing middle class Americans to take a pay cut through increased pension contributions. Middle class Americans should not have to take a cut in pay because of failed leadership in Congress.

As college tuition continues to drastically rise, students cannot afford thousands of more dollars in bills because Congress failed to act. After witnessing the debacle that occurred over the payroll tax extension, I would hate to see a similar scenario occur with this issue. Stop playing political games and pass an extension of the current student loan interest rates. I stand ready to work in any way possible to make sure we keep student loan interest rates at their current level.

Sincerely,


Bruce L. Braley