



**EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503**

April 27, 2012  
(House)

## **STATEMENT OF ADMINISTRATION POLICY**

### **H.R. 4628 – Interest Rate Reduction Act**

(Rep. Biggert, R-IL)

The Administration strongly supports serious, bipartisan efforts to prevent interest rates from doubling for over 7 million college students in the coming year. Absent Congressional action, on July 1, the interest rate on new subsidized Federal Direct Stafford Loans for undergraduate students is set to double, from 3.4% to 6.8%. Taking action to stop the doubling of these rates will save students \$1,000, on average, over the life of their loans. Students are increasingly relying on loans to finance postsecondary education, often absorbing tuition hikes stemming from reductions in State funding and institutional support. Graduates should not be burdened with unmanageable college debt as they seek to launch a career or a business, start a family, or buy a house.

Unfortunately, rather than finding common ground on a way to pay for this critical policy, H.R. 4628 includes an attempt to repeal the Prevention and Public Health Fund, created to help prevent disease, detect it early, and manage conditions before they become severe. Women, in particular, will benefit from this Prevention Fund, which would provide for hundreds of thousands of screenings for breast and cervical cancer. This is a politically-motivated proposal and not the serious response that the problem facing America's college students deserves. If the President is presented with H.R. 4628, his senior advisors would recommend that he veto the bill.

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