

WASHINGTON, DC - Today, the U.S. House of Representatives passed H.R. 3221, the Student Aid and Fiscal Responsibility Act of 2009 (SAFRA), which makes the single largest investment in Pell grants and student loans in history and provides resources to other education programs. The legislation passed the House by a vote of 253 to 171 ([Roll Call No. 719](#)). Representative Robert C. "Bobby" Scott (D-VA-03) voted in favor of the legislation.

"This bill will help more children arrive ready for kindergarten, give more students opportunities to attend college, and provide workers with new skills to match the needs of our business community," said Rep. Scott. "I am particularly pleased that programs that help students complete college, such as the TRIO programs, will also benefit from this bill."

The Student Aid and Fiscal Responsibility Act of 2009 reforms the system of federal student loans to save taxpayers \$87 billion dollars over the next ten years. The savings are derived by eliminating the Federal Family Education Loan Program through which the government pays subsidies to private lenders. Instead, all federal student loans will originate from the Federal Direct Loan program. Seventy Seven billion dollars will be invested back into education programs and the remaining \$10 billion will go to the Treasury Department to help reduce the Federal deficit.

The legislation increases the maximum Pell Grant from \$5,350 in 2009 to \$5,550 in 2010 and \$6,900 in 2019 and continues the interest rate reduction on federal student loans enacted in 2007. Additionally, the legislation provides funds on a competitive grant basis to programs that are proven to increase the number of students accessing and completing their post-secondary education such as the TRIO programs (including Upward Bound and Student Supportive Services). Moreover, the bill invests over \$2.55 billion in Historically Black Colleges and Universities and Minority Serving Institutions over a period of ten years.

The bill also ensures that the next generation of students will enter kindergarten with the skills they need to succeed in school by creating an Early Learning Challenge Fund grant. This grant program will help increase the number of low-income children entering kindergarten by reforming the early learning system for children from birth through age five. Furthermore, it will establish a system of research-based programs and measures for addressing early learning environments, the quality of early education staff, research based curricula and program effectiveness.

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