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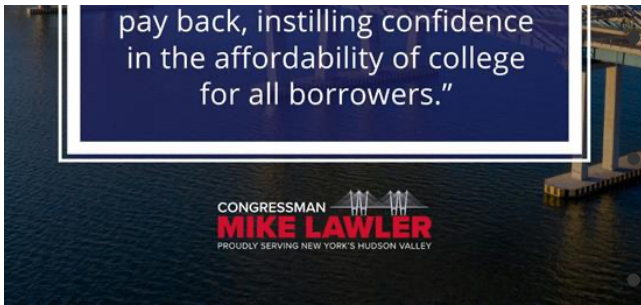
Press Releases

Congressman Lawler Introduces Bipartisan Bill Lowering Interest Rate on all Federal Student Loans to 1%

Washington, DC, November 18, 2024



Today, Congressman Mike Lawler (NY-17) introduced the *Affordable Loans for Students Act*, which will lower the interest rate on federal student loans to 1%. Specifically, the *Affordable Loans for Students Act*:



Lowers the interest rate on federal student loans to 1%;
 Retroactively applies the interest rate adjustment to outstanding loans;
 Authorizes the Department of Education to modify the interest rate and refinance student

loans automatically, without any opt in from borrowers –borrowers may opt out of refinancing if they choose;

- Provides for the refinancing of other student loans to Part D loans to ease the rate adjustment process;
- Authorizes borrowers to consolidate loans if they have multiple outstanding Part D loans following this change;
- Requires a report with information on the total number of borrowers whose loans have been modified or refinanced under this section during the preceding year and the number of such borrowers who are delinquent in making payments on such a loan.

"Nowhere have costs skyrocketed more than in higher education," **said Congressman Lawler.** "And sadly, with high interest rates, making even a dent in the principal balance can be a challenge. The *Affordable Loans for Students Act* will make higher education easier to access and student loans easier to pay back, instilling confidence in the affordability of college for all borrowers."

The *Affordable Loans for Students Act* is endorsed by the American Council on Education (ACE), the National Association of Student Financial Aid Administrators (NASFAA) and the American Association of Colleges and Universities (AAC&U).

"Increasing college affordability is a top priority of ACE and the higher education community. We are proud to endorse the Affordable Loans for Students Act because we believe that lowering interest rates for future and current borrowers and creating greater flexibility in loan repayment options will significantly benefit students. This

bill is a great step in the right direction, and we will continue to work with Congress to increase affordability for all students," **said the American Council on Education (ACE).**

"NASFAA has long advocated for systemic solutions to reform student loan repayment. By lowering the interest rate on all federal student loans to 1%, the Affordable Loans for Students Act puts forth an equitable approach that would help ease the burden of student loan debt on current and future borrowers. This legislation is an important step in promoting access to affordable postsecondary education," **said Karen McCarthy, Vice President of Public Policy and Federal Relations at the National Association of Student Financial Aid Administrators (NASFAA).**

"The American Association of Colleges and Universities is pleased to endorse the Affordable Loans for Students Act. By making it easier to access and repay federal student loans, this bill would make college more affordable for all borrowers and help address the unconscionable debt burden carried by too many students and graduates," **said the American Association of Colleges and Universities (AAC&U).**

Congressman Lawler is [one of the most bipartisan members of the 118th Congress](#) and represents New York's 17th Congressional District, which is just north of New York City and contains all or parts of Rockland, Putnam, Dutchess, and Westchester Counties.

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