

Dear Senator Landrieu:

On behalf of 260 college and university student body presidents representing more than 3 million students around the country including Tulane University, Louisiana State University, University of Louisiana-Lafayette, and Xavier University of Louisiana, we write to express our deep concern over the nation's ballooning student loan debt. Recent estimates place outstanding student loan debt at over \$1 trillion nationwide, and the average student graduates with more than \$25,000 in debt. We need your leadership and real bipartisan action to craft a long-term solution to this problem.

On July 1st, the subsidized Stafford loan interest rate will double from 3.4 percent to 6.8 percent. Student loan debt already puts an economic drag on graduates, and students will owe an additional \$1000 each year Congress fails to keep rates low. The neediest students will owe an additional \$5000 over the course of their repayment period. In an uncertain economy, we simply cannot afford to accumulate more debt.

Students in our state fare no better than the rest of the country. Louisiana students leave college with an average student debt of \$24,548. If Congress fails to freeze Staff Loan interest rates, our students take on an additional \$79 million in total debt as classes start in the fall. This means we will spend millions of dollars each year repaying loans rather than buying our first homes and cars, investing in new companies, or starting families in the next decade.

Increasing interest rates to 6.8 percent will cause more students and parents to seek riskier private loans. This will make a bad situation worse. The federal student loan programs offer a fixed interest rate while private loans have variable interest rates with terms that make them much pricier and harder to pay off over the long term.

This is an issue about young consumers. There has long been a promise that, if a student goes to college, works hard, and does well, they will have a more prosperous future ahead of them. Student loan debt is severely undermining that prospect.

We need bold, bipartisan steps to address the systemic problems that are driving up the cost of college. That conversation needs to start now. We hope action on extending the 3.4 percent Stafford loan interest rate is the first of many steps in a real effort that seeks to cut costs and reduce the need for borrowing. The long-term economic health of the nation and the future prosperity of a generation depend on your actions.

Now is the time to make a serious commitment to fix how we finance college in America. This starts with maintaining the current Stafford loan interest rates. On behalf of the 83,243 students from Louisiana who will take out Stafford Loans this year, we urge you to use your vote and your leadership to freeze interest rates before July 1st.

Sincerely,

Taylor Cox, Louisiana State University-Baton Rouge Student Government President
Michael Lewis, Tulane University Student Government President
Ashley Mudd, University of Louisiana-Lafayette Student Government President
Ashley Trussell, Xavier University of Louisiana Student Government President
Khaled Badr, Loyola University of New Orleans Student Government President