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**Heller Votes for Permanent Solution for Student**

**Loan Interest Rates**

**(Washington, D.C.) –** Today, U.S. Senator Dean Heller (R-NV) voted to stop an increase in student loan rates. He supported the Republican proposal (S. 1003), which is a permanent solution that allows rates to be set by the market.

“Education is a key to success and a better future for millions of Americans and their families. As the father of four children, I understand the financial strain that college tuition places on both students and their families,” said Senator Dean Heller. “By offering a permanent solution, this proposal gives students certainty they need for smart financial planning. And in the hyper-political climate of Washington D.C., this bill also guarantees that these student loan rates are not held hostage for political gain, now or in the future.”

This proposal ties all federal student-loan interest rates to the 10-year Treasury rate and adds three percentage points to that rate to cover additional costs. With this plan, the interest rates extend through the lifetime of a loan. However, a loan take out this year may vary from next year, because market rates may change.

Without congressional action, interest rates for federally-subsidized student loans are scheduled to double from 3.4 to 6.8 percent on July 1.

**Senator Heller has supported legislation to stop student loan interest rates from rising in the past:**

* Moving Ahead for Progress in the 21st Century Act (P.L. 112-141) – included Student Loan Interest Rate Extension, which prevented student loan interest rates from doubling from 3.4 to 6.8 percent.
* Interest Rate Reduction Act of 2012 (S. 2366) – prevented student loan interest rates from doubling from 3.4 to 6.8 percent.
* College Cost Reduction Act (H.R. 2669, 110th) – among other provisions to strengthen grants and other educational programs, this bill cut interest rates in half on subsidized Stafford loans for undergraduate students. Senator Heller supported the bill in both the Education & Labor Committee and on the House floor. This legislation passed Congress and was signed into law.
* College Student Relief Act (H.R. 5, 110th) – cut interest rates in half on subsidized Stafford loans for undergraduate students. This passed the House with Senator Heller’s support.

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