

**Remarks to College Reporters Aboard Air Force One**

*April 24, 2012*

Hey, everybody. Thanks for being on the call. And first of all, let me apologize if the connection sounds fuzzy. As was just mentioned, I'm joining you guys on Air Force One.

I'm just leaving North Carolina; I was at UNC-Chapel Hill. Now I'm on my way to the University of Colorado at Boulder. And tomorrow we're going to be at the University of Iowa in Iowa City. And what we're doing is going to schools to talk to students directly about the critical importance of the possibility that 7.4 million students with Federal student loans would see their interest rates double on July 1 unless Congress steps up and does what it needs to do.

I've always believed that we should be doing everything we can to help put higher education within reach for every single American student, because the unemployment rate for Americans with at least a college degree is about half the national average. And it's never been more important. Unfortunately, it's also never been more expensive. And most of you guys, I'm sure, have reported about this and know this: Students who take out loans to pay for college graduate owing an average of \$25,000 a year. And I know what this is like, because when Michelle and I graduated from college and law school, we had enormous debts, and it took us a lot of years to pay off. So that's probably why I feel this thing so personally.

For a lot of working families, the idea of owing that much money means higher education is simply out of reach for their children. And for the first time, now we've got Americans owing more debt on their student loans than they do on their credit cards.

The key point here is, is that in America, higher education can't be a luxury. It's an economic imperative that every family has got to be able to afford. We've already taken some important steps to make college more affordable. So for example, we extended Pell grants to 3 million more students, and we signed a tax credit worth up to \$10,000 to help middle class families cover the cost of tuition. We've eliminated a major expense for young people by allowing young adults to stay on their parents' health insurance plans until they're 26.

But there's clearly more work to be done. And that's why I'm going to colleges across the country. I want to talk to students right now about how we can make higher education more affordable and what's at stake right now if Congress doesn't do something about it.

So the key point I want to make: If Congress doesn't act on July 1, interest rates on Stafford loans, on student loans from the Federal Government, will double. Nearly 7½ million students will end up owing more on their loan payments. And that would be obviously a tremendous blow. And it's completely preventable.

And for some time now, I've been calling on Congress to take steps to make higher education more affordable, to prevent these interest rates from doubling, and to extend the tuition tax credit that has saved middle class families millions of dollars, but also, to double the number of work-study jobs over the next 5 years.

And instead, over the past few years, Republicans in Congress have voted against new ways to make college more affordable for middle class families, even while they're voting for huge tax cuts for millionaires and billionaires, tax cuts that, by the way, would have to be paid

for by cutting things like education and job training programs that give students new opportunities to work and succeed.

So the bottom line here is we can't just cut our way to prosperity. Making it harder for our young people to afford higher education, allowing them to earn their degrees, that's nothing more than cutting our own future off at the knees. And Congress has to keep interest rates on student loans from doubling, and they need to do it now.

And I have to say, from my perspective, this is a question of values. We can't let America become a country where a shrinking number of people are doing really well, a growing number of people struggle to get by, and you've got fewer ladders for people to climb into the middle class and to get opportunity. We've got to build an economy where everybody is getting a fair shot, everybody is doing their fair share, everybody is playing by the same set of rules. That's ultimately how the middle class gets stronger. And that's an economy that's built to last.

So I'm going to take this issue to every part of the country this year. I'm going to keep focusing on it until Congress passes legislation to keep interest rates low and to continue to give students the chance to get the college education they need for the jobs of today, but also for the jobs of tomorrow.

And part of the reason I wanted to be on this call is to let you know, very personally, I need your help on this. I need you all to tell your readers and your listeners why they've got to speak up, why they've got to speak out. Let Congress know that they need to do the right thing. And for those of you on Twitter, use the hashtag "dontdoublemyrate." That's "dontdoublemyrate."

Because we don't want Congress to double the interest rates on so many students. We need to reward hard work and responsibility. And part of that is keeping interest rates on students low—student loans low so more Americans get a fair shot at an affordable college education, the skills they need to find a good job, a clear path to the middle class that's not blocked by a mountain of debt. And the time to act is right now, and I'm going to need your help getting that message out.

So thanks so much to all of you for being on the call. And thanks for taking the time to shine a light on this important issue. And I know that our team is going to be on the phone call after I hang up. They can answer a bunch of specific details that you may have.

Talk to you soon. Bye-bye.

NOTE: The President spoke at 4:05 p.m. via telephone while en route to Boulder, CO.

*Categories:* Interviews With the News Media : Exchanges with reporters :: Air Force One.

*Names:* Obama, Michelle.

*Subjects:* Business and industry : Global competitiveness; Economy, national : Economic concerns; Economy, national : Strengthening efforts; Education : Postsecondary education :: Affordability; Education : Postsecondary education :: Career training and continuing education; Education : Postsecondary education :: Pell grants; Education : Postsecondary education :: Student loans, refinancing and repayment options; Education : Postsecondary education :: Tax credits, expansion; Employment and unemployment : Job creation and growth; Health and medical care : Young adults :: Insurance coverage as dependents, age limit extension; Taxation : Tax cuts, budgetary effects.

*DCPD Number:* DCPD201200305.