

Congress of the United States
House of Representatives
Washington, DC 20515-4501

FOR IMMEDIATE RELEASE

February 13, 1995

**SANDERS SAYS GOP "CONTRACT" WILL HAVE DEVASTATING IMPACT ON
STUDENTS' ABILITY TO AFFORD COLLEGE: COLLEGE PRESIDENTS
SAY MEASURE WILL BE A HEAVY BLOW TO VT SCHOOLS**

Rep. Bernie Sanders, I-VT., today flanked by presidents of two Vermont colleges, warned that many Vermont students may not be able to go on to college if the GOP "Contract with America" is passed.

Sanders said provisions included in the measure would have a devastating impact on students' ability to pay for higher education. "If this measure is enacted, the Federal Government will stop paying interest on Stafford Loans while a student is in school. This will mean that student indebtedness will rise by between 20 and 40 percent."

Sanders continued, "Students from needy families will no longer have access to work-study and educational opportunity funds, or the Perkins Loan program. Over 1.8 million current recipients of these funds, most from families earning \$24,000 a year or less, will see this essential source of money disappear." Sanders noted that Pell Grants could also be cut by \$1.2 billion if the "Contract" is enacted.

St. Michael's College President Dr. Paul Reiss said proposals included in the "Contract with America" to cut financial aid would be devastating to Vermont colleges if enacted.

Reiss said, "At St. Michael's, 70 percent of the students at the college are able to afford attending only because they are recipients of aid in the federal programs -- grants, work grants and loans. That includes 80 percent of the Vermont students. Vermont students, even more than others, are dependent upon these programs. They could not attend without them."

Reiss continued, "The notion that we are saving money and reducing the deficit by reason of cutting student aid is about as short-sighted as you can get. Without an educated workforce, without being able to be competitive in the world ahead, this country is not going to be saving any money. Educated people contribute to the economy. If we were to cut this student aid, we would, in fact, be increasing the future national deficit."

Trinity College President Sister Janice Ryan agreed, saying federal student aid is a wise investment in the country's future that should be protected. "This is somewhat like a thread in a sweater that begins to unravel. When you pull it, the sweater will come apart. The financial aid national package is interactive. When you touch one piece, you touch all of them," she said.

Contact: Tina Wisell (802) 862-0697.