

Signs on as an original cosponsor of bill that would temporarily defer student loan interest and payments for students affected by the disaster; recalculate financial aid assistance

Washington, DC - As colleges and universities across Georgia open their doors to some of the nearly 100,000 college students who have been displaced by Hurricane Katrina, 12th

District Congressman John Barrow (D-GA) is urging his colleagues to support the "Katrina College Relief Act" - legislation he helped introduce today that would strengthen financial aid security and assistance for Gulf Coast students affected by the disaster.

"Some 30 Gulf Coast colleges have been damaged and nearly 100,000 college students have been displaced by this storm," said Barrow, a member of the House Committee on Education and the Workforce. "While some students have enrolled at other schools, some have had to skip this semester all together. We need to be doing everything in our power to help these students make it through this difficult period."

On Wednesday, the House of Representatives unanimously passed the Pell Grant Hurricane and Disaster Relief Act.

This bill revised federal guidelines that required any student receiving a Pell Grant scholarship who withdrew from college to repay those federal scholarships - creating an exception for students from Hurricane affected schools.

However, that legislation did nothing to aid Hurricane affected students who are either working to repay college loans, or spending the semester at another college or university.

“Tens of thousands of college students from the Gulf Coast are facing serious financial strains that make repaying college loans or paying for college at a new school next to impossible,” Barrow continued. “As they look for new jobs and new places to live, Congress has a responsibility to provide them with comprehensive assistance, and that's exactly what this bill does.”

Even after their current federal aid is taken into account, many students and their families affected by the hurricane no longer have the available resources to pay for college. The “Katrina College Relief Act” aims to provide immediate financial relief to students and student families by:

- **Providing six-month deferments to student borrowers.** For a six-month period, interest would not accrue on student loans, and student borrowers would not be required to make any payments on their student loans. Under current law, student borrowers affected by a disaster are permitted only to apply for a three-month forbearance on their loans, which does not stop interest from accruing.

- **Recalculating the amount of financial assistance students affected by the disaster**

will need. □ Hurricane Katrina has seriously affected the ability of great numbers of students and families to pay for college. This provision would require the U.S. Department of Education to recalculate affected families' financial need and provide additional financial assistance as necessary.

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