General Information

Source: NBC Nightly News  Resource Type: Video News Report
Creator: Brian Williams/Chuck Todd  Copyright: NBCUniversal Media, LLC.
Event Date: 03/30/2010  Copyright Date: 2010
Air/Publish Date: 03/30/2010  Clip Length 00:02:47

Description

President Obama signs the health care fixes bill, which includes a revamping of how the government subsidizes college student loans.

Keywords

President, Barack Obama, Community, College, Health, Care, Bill, Student, Loans, Reform, Law, Sign, Fix, University, Financial, Institutions, Federal, Government, Subsidize, Subsidy, Pell, Grant, Revamp, Money, Borrow, Banks, Private, Lenders, Department of Education, Inflation, Payments, School

Citation

MLA
"President Obama Signs Student Loan Reforms into Law." Chuck Todd, correspondent. NBC Nightly
President Obama Signs Student Loan Reforms into Law

BRIAN WILLIAMS, anchor:

President Obama went to a community college in Virginia today to sign the final package of fixes to the health care bill into law. The reason for that campus setting, the other big change that is a big part of the overall bill. Our chief White House correspondent Chuck Todd with us with that story tonight.

Chuck, good evening.

CHUCK TODD reporting:

Good evening, Brian. While lacking the pomp and circumstance of last week, the president did make an additional bit of history by signing that so-called health care fixes bill into law, which also included a major revamping of how college student loans are going to be handed out for years to come. And with that signature, the president completed the second step of signing his entire health care reform plan into law.

President BARACK OBAMA: The health insurance reform bill I signed won't fix every problem in our health care system in one fell swoop, but it does represent some of the toughest insurance reforms in history.

TODD: But today's setting was Northern Virginia Community College, an attempt to highlight a major nonhealth care provision in the so-called fixes bill.

Pres. OBAMA: A great battle pitting the interest of the banks and financial institutions against the interests of students finally came to an end.

TODD: The new law revamps how the federal government subsidizes college student loans, a change the president believes was a victory over a favored political target of Washington these days, the banks.

Pres. OBAMA: For almost two decades we've been trying to fix a sweetheart deal in federal law that essentially gave billions of dollars to banks to act as unnecessary middlemen in administering student loans.

TODD: The legislation ends a 45-year program that provided federal subsidies to banks and private lenders that offered government-backed college loans. Starting July 1st, those guaranteed loans will be
offered only by the Department of Education. Other changes: in 2013, expanding Pell grants to keep up with college tuition inflation; in 2014, limiting the annual payment on a student loan to 10 percent of the borrower's yearly income.

Pres. OBAMA: I know what that's like. Michelle and I had big debts coming out of school, debts we weren't able to fully repay until just a few years before I started running for office.

TODD: One more health care development, Brian. You know, last week some insurance companies claimed that vague language in the new law meant that they could deny coverage of children with pre-existing conditions until 2014. While Health Secretary Kathleen Sebelius sent a harshly worded letter to insurance companies saying that was not the intention of the law. Well, guess what. The insurance company sent a letter back saying, Brian, that they would comply with the Obama administration's interpretation of these new rules.

WILLIAMS: We're actually going to track that story and hold them to it. Chuck Todd at the White House for us tonight. Chuck, thanks.