FOR IMMEDIATE RELEASE June 27, 2012 Contact: Communications Office (202) 224-4515

BAUCUS LAUDS AGREEMENT ON HIGHWAY BILL, STUDENT LOANS

<u>Finance Chairman Worked Across the Aisle to Secure Funding Sources for Package that Will Support</u>

More Than a Million Jobs

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) today applauded the bipartisan agreement reached on a federal Highway Bill. The two-year bill will make critical infrastructure investments across the country and support or create more than a million jobs. The legislative package also includes a provision to prevent the increase of student loan rates. Baucus worked to find funding for the package in his role as Finance Committee Chairman.

"This investment in our transportation system is an investment in more than a million jobs, our economy and our future. Our economy needs a 21st-century highway system that meets the needs of our communities, helps our businesses grow and creates jobs," Baucus said. "This agreement will also make a high-quality education affordable for millions of students across the country. We needed to reach across the aisle to get this done, and that's exactly what we did."

The two-year highway bill reauthorizes and fully funds the Highway Trust Fund (HTF), the federal funding source for transportation infrastructure projects like roads, highways, bridges and mass transit. The bill is also an investment in good-paying American jobs; the critical infrastructure investments supported by the bill create or support more than a million jobs, ensure safety and mobility, reduce traffic congestion and improve air quality all across the country.

The funding added to the HTF comes from a transfer from the Treasury's General Fund. The amount transferred from the General Fund is fully replenished through a provision stabilizing pension interest rates and a provision boosting Pension Benefit Guaranty Corporation premiums, as well as other offsets.

The agreement also averts an interest rate increase for the seven million students who will take out loans next year.

The final package funding the highway bill and the student loan rate provision, which is fully paid for, will cost \$27.185 billion.