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Newly elected Democrats in Congress have placed college affordability high on their agenda. A proposal by Democratic leadership will be introduced on the first day of the new Congress and is expected to be passed within 100 hours of the start of the Congressional session. The proposal addresses the need for possible expansions of the federal Pell Grant program, which benefits low-income families. Lowering interest rates on some federal student loans is a second proposed move that may help students save a lot of money. Another proposal would permit families earning up to \$160,000 per year to receive tax deductions on tuition payments, which would in turn allow parents to provide their children with more tuition assistance. Incoming Speaker of the House Nancy Pelosi named college affordability a priority in the Democrats' New Direction for America program.

Student Privacy Protection Act of 2006 proposed

In the House of Representatives, Robert Andrews (D-NJ) introduced legislation that would provide students and parents with private civil remedies for violations of their privacy rights under the General Education Provisions Act. According to his proposed Student Privacy Protection Act of 2006, educational institutions would be prevented from depriving parents or students of any of the rights to privacy of and access to educational records established by Section 444 of the General Education Provisions Act. The act states that if a person is aggrieved by an action or inaction in violation of this section, he or she can bring the violation to the attention of an appropriate United States district court; it also details the actions that would need to be taken by the court.

Student loan defaults on the decline

According to data compiled by Merrill Lynch, and as stated by Bloomberg.com, bonds attached to student loans may now provide better returns on investments than U.S. asset-backed securities. Both sources also report that this situation has resulted from a decline in student loan defaults. While asset-backed debt securities increased by an average of 4.62%, bonds secured by student loans have increased by 4.69%. The percentage of graduate students defaulting on educational loans was 5.1% for the year ending in October of 2005. This was the second-lowest figure since 1987, which is when the Department of Education started keeping track of defaults.

UHEAA names new executive director

David Feitz has been appointed Executive Director for Utah's Higher Education Assistance Authority (UHEAA), a subsidiary of the State Board of Regents. Replacing Dr. Mark Spencer, who has served in the post for the past two-and-a-half years, Feitz will also serve as Associate Commissioner for Student Financial Aid. He is presently serving as UHEAA's Executive Director for Policy and Development at the Office of the Commissioner for Higher Education. Earlier, Feitz served as a financial aid administrator at Brigham Young University and also as consultant with the U.S. Department of Education. UHEAA administers the state's student financial aid programs, including the student loan guarantee program, a need-based financial aid program, the Utah Educational Savings Plan Trust, and the Utah Engineering and Computer Sciences Loan Forgiveness Program.



NCCU raises tuition

Known for offering some of the lowest tuition rates in the U.S., North Carolina Central University's School of Law is finally set for tuition hikes. Tuition costs will nearly triple over the next four years as a result of step-by-step increases. Currently, NCCU law students pay 2,670 dollars annually for in-state tuition; this amount will gradually increase to 8,670 dollars per year by the 2010-2011 school year. The additional funding provided by the tuition increases will finance faculty salaries and provide more need-based financial aid, which will reduce the university's dependence on grants. Although some students at the university oppose the hikes, contending that they have not budgeted for the increase, others seem to be taking the hikes in their stride, stating that the university's tuition costs are still quite low when compared to those at other universities.

RMASFAA Honors Shoemaker

Mountain Association of Student Financial Aid Administrators (RMASFAA) in Salt Lake City, UT, honored Clarence N. Shoemaker, Jr., at its fall regional conference by inducting him into the by RMASFAA Hall of Fame and presenting him with a Special Achievement Award from the Department of Education. Shoemaker first began serving as a financial aid officer at Yankton College in 1977 and moved to the University of South Dakota in 1981. He helped students by creating a federal income tax form that is now used by a number of institutions to ensure that correct information has been provided in the Free Application for Federal Student Aid (FAFSA). In 1990, Shoemaker was appointed President of the South Dakota Association of Student Financial Aid Administrators (SDASFAA). The highest honor granted by RMASFAA, Hall of Fame induction is awarded to those who have dedicated considerable years to the financial aid profession and have made significant contributions through their work.