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Democratic Senators Edward M. Kennedy and Richard J. Durbin are trying to push a companion bill to the Student Loan Sunshine Act, which is aimed at cleaning up unethical relationships between student lenders and institutions, through the Senate. The act is designed to protect students and parents from being exploited by private lenders and to restrict private lenders from bribing institutions in order to secure business. While defending the act, Senator Durbin stated that an institution's first obligation is to help its students, not private lenders. The act demands full disclosure of special arrangements between lenders and educational institutions. Among other things, the act will also require institutions to explain why they have selected particular lenders for their "preferred lender lists." It also encourages borrowers to borrow more from government loan programs before resorting to alternative higher-interest-rate loans.

President Bush's Pell Grant boost

President Bush has released the 2008 financial year budget, which proposes to increase the maximum Pell Grant amount to \$4,600 in 2008. This is the largest increase in more than three decades. The budget also proposes an increase of the maximum grant to \$5,400 by 2012. Furthermore, it suggests increasing the amount juniors and seniors can borrow in the form of student loans each year by \$2,000. Emphasizing education as a priority, President Bush's budget also proposes a series of changes to the FFEL program to help pay for the \$2,000 increase. Secretary Spellings, welcoming the move, commented that with the increasing demand for post-secondary education or training, the president's action will enable more students from middle-class and low-income families to afford college educations.

Senator Clinton reintroduces Student Borrower Bill of Rights

Senator Hillary Rodham Clinton has reintroduced the Student Borrower Bill of Rights, which, if passed, would provide student borrowers with basic enforceable rights. These rights would ensure that loan repayments are affordable and would help students to avoid exploitation when borrowing. The bill encourages students to seek loans in a free marketplace as well as access to timely information about such loans. With student borrowing increasing every day, more and more college graduates are facing harassment while trying to pay their loans off; meanwhile, need-based grant aid remains unavailable for many, despite the escalation of college costs. The average debt burden for college graduates has increased by 58% over the last 10 years. The Student Borrower Bill of Rights also promises every borrower the right to fair, monthly payments that do not surpass a certain percentage of his or her income, as well as fair interest rates and fees.

Governor Doyle announces \$44-million increase in financial aid

In a bid to prepare for the first group of Wisconsin Covenant Scholars, Jim Doyle, Governor of Wisconsin, has proposed a \$44-million increase in financial aid in order to encourage eighth-graders to pursue college educations. This proposal reflects a 21% increase in financial aid funding. Doyle also



stated that he would provide funding for the Office of the Wisconsin Covenant. The governor's budget pledged a \$225-million investment in the state's university system to expand enrollment and produce more graduates. Those students who want to participate in the Covenant Scholars program are required to sign pledges while in eighth grade promising, among other things, that they will earn high school diplomas and maintain B averages in high school, participate in community affairs, and be good citizens. In return, each participating student will be guaranteed a seat at a college in the University of Wisconsin system, the Wisconsin Technical College system, or one of the state's 20 private, nonprofit, independent colleges.

PHEAA board of directors has a new chairman

William F. Adolph, Jr., has been elected to the post of Chairman of the PHEAA Board of Directors. Adolph, who is the board's seventh chairman, was appointed to the PHEAA board in 2001 and has served on its executive committee since 2003. In addition to his leadership responsibilities with the PHEAA, Adolph chairs the House Professional Licensure Committee and serves on the Consumer Affairs Committee. He has represented Delaware County's 165th Legislative District for nearly two decades and has focused on economic development, job creation, and environmental protection in the region.