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Chairman of the House Education and Labor Committee, Rep. George Miller, wrote a letter to both the White House and the U.S. Department of Education seeking additional information about the “stewardship” of the federal student loan and Reading First programs. The letter states that the Committee’s ongoing investigations into the programs have revealed “serious oversight failures” by senior level White House and Department of Education officials. Miller requested that the White House provide him with all communications about the two programs beginning January 20, 2001, including those of Education Secretary Margaret Spellings, who was then a domestic policy adviser. He similarly asked the Department of Education for emails and other communications of former Education Secretary Rodney Paige and other senior officials. The letter also includes revelations by *The Washington Post* that in 2001 the Bush administration killed a policy proposal constructed by the Clinton administration; the proposal would have addressed the controversial gifts and inducements given by lenders to colleges for business favors.

Cuomo meets more success with his code of conduct

In a press release New York Attorney General, Andrew M. Cuomo, announced that six more colleges had agreed to his College Loan Code of Conduct. The institutions are Marist College, Pratt Institute, Lewis & Clark, Manhattanville College, Mercy College, and Texas Christian University. With this, the total number of schools that have agreed to abide by Cuomo’s Code of Conduct has increased to 21. Cuomo said, “The tide has turned. Schools and lenders are no longer defending these practices or refusing to recognize the problem - they are looking for a solution.” The attorney general has targeted 20 lenders and about 100 colleges and universities.

Enzi’s code of conduct

US Senator Mike Enzi, Ranking Member of the Senate Health, Education, Labor, and Pensions (HELP) Committee introduced a bill that would protect students and their families by laying down a lender’s code of conduct.

The code of conduct prohibits institutions from receiving any kickbacks from colleges. The prohibition not only applies to gifts and trips, but also to serving on advisory boards and consulting contracts. Banning schools from designating “preferred lenders,” the bill requires institutions to provide students with a guide for their purpose of analyzing the loan services offered by lenders. Apart from other features, the bill requires an annual attestation of college compliance by a top college official with the code of conduct.

UT financial aid officers reported to accept meals as favors from lenders

University of Texas financial aid officers have been reported by newspapers to accept lunches and breakfasts as favors for being on the institution’s preferred lender list. The Office of Student Financial

Services kept a record of the meals and ranked lenders on the basis of the number of lunches, breakfasts, and extracurricular functions for the entire staff. These rankings were said to have been included in the lender analysis, along with data of the company's loan volume, customer service, and other details. However, the acting director of the office told one of the newspapers that the treats were not related to their decision on the preferred lender lists.

Miller asks FTC for investigations into deceptive marketing by private lenders

Rep. George Miller has initiated a new row of inquiry in the controversial student lending issue. The chairman of the House Education and Labor Committee has asked the Federal Trade Commission to investigate the unfair and deceptive practices of lenders for marketing their products and services to students. According to Miller, private lenders send marketing letters to students, which are often designed to "confuse or mislead" the students. Miller also warns of the official government logos and threatening language directed to scare students to accept their products. In a letter to Deborah Platt Majoras, Chairman of the Federal Trade Commission, Miller attached two examples of the deceptive marketing.