



Law School Loans Announces Measures to Help Borrowers Beat Significant Student Loan Rate Increase

PASADENA, Calif., Jan. 9 /PRNewswire/ -- Law School Loans, a Juriscape company, announced today that it is adopting measures aimed at assisting customers beat the rate increase that will soon affect Americans holding student loans. A budget-cutting law passed by the U.S. Congress on December 21, 2005, not only raises rates on federal student loans in the near future, but makes the change permanent, thus imposing a fixed, rather than adjustable rate on all Stafford loan holders. The adopted legislation, which strips away borrowers' opportunity to consolidate loans on their own schedules because of the fixed rate, will transfer a \$40-billion price tag from the federal government to loan holders.

With the little time left before the passed legislation becomes a federal law, Law School Loans intends to roll out an aggressive educational campaign that will provide those holding school loans with information on the recent changes. "Law students and alumni are our primary customers, and they stand to lose a lot if they remain passive in the near future," said Law School Loans CEO A. Harrison Barnes. "Therefore, we intend to launch an expansive awareness program that will make borrowers aware of the recent changes that will directly affect them."

Another important feature that Law School Loans intends to introduce is offering increased one-on-one counseling to those who inquire about consolidation. This will be accomplished by adding staff of counselors who can provide answers in live format, in chat rooms, or over the phone. "What we have encountered is that many loan holders have very general information about what's going on and how they can save," explained Barnes. "They also are not sure what the whole process of consolidation entails. That is why we feel it's imperative to make loan counselors available to them in real time."

The appeal of immediate student loan consolidation is further enhanced by the fact that borrowers can lock in a lower fixed rate for the entire life of the loan, thus ensuring that they will be saving thousands of dollars. With the time to lock in a lower rate running out and the national media having joined the financial experts in recommending immediate student loan consolidation, Law School Loans' CEO expects dramatic increased interest from borrowers: "The window of opportunity to save a lot of money by going ahead with loan consolidation is closing fast," said Barnes. "Those who do it will benefit tremendously. Those who procrastinate, on the other hand, will end up paying for the federal government budget cuts."