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Federal Lender Code 834241

America's Top Student Loan Consolidator

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FIVE THOUSAND FOR GRADS IN PUBLIC SERVICE

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An amendment in a recently passed House bill would ease federal employees' student loan debt by up to \$5,000. The relief will be granted to individuals who have earned a bachelor's or advanced degree and have served in an area of public service for five consecutive years. The amendment was proposed by Rep. Jon Porter (R-NV), who is the chairman of the House Committee on Government Reform's Subcommittee on the Federal Workforce and Agency Organization. He feels that the move would encourage more highly trained individuals to work in the area of public service.

TOO MUCH DEBT FOR INDIANA TEACHERS, SOCIAL WORKERS

The Indiana Public Interest Research Group has released a study entitled "Paying Back, Not Giving Back: Student Debt's Negative Impact on Public Service Career Opportunities." The report examines the student debt of recent college graduates compared with starting salaries for two public service careers, teaching and social work. It suggests that people in these professions are highly underpaid, which makes dealing with monthly loan payments unmanageable. The study calls on the government to increase grants, generate more affordable repayment terms, promote consumer protection for student borrowers, and provide colleges incentives to control tuition costs.

VIRGIN ISLANDS TEACHERS GET A BREAK

Favoring the Department of Education of the U.S. Virgin Islands, the U.S. Department of Education has approved cancellation of up to 100% of student debt incurred by teachers. The V.I. Education Department had submitted its proposal to be added to the Teacher Shortage Area Nationwide List. The loan cancellation applies retroactively to all teachers who have taught full time for two years in the U.S.V.I. The change will have a great effect on teacher recruitment and retention, as teachers will be able to realize these benefits for each year that they are employed.

KATRINA-AFFECTED SCHOOLS GET RELIEF

As postsecondary institutions in Mississippi and Louisiana reopen following the Hurricane Katrina recovery efforts, many of these schools received federal funding. Roughly \$200 million was allocated by the Department of Education to help reopen higher-education facilities that were forced to close and to compensate colleges that took in displaced students. In addition, the Department is distributing more than \$18 million of unused federal campus-based student aid to severely affected colleges.

So far, 24 of 30 institutions of higher education in Louisiana have now reopened. This figure includes 10 of the 15 that were closed in New Orleans. Two-thirds of postsecondary students in New Orleans have returned to class, and both of Mississippi's closed postsecondary institutions have reopened.

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MISSOURI FACES LOAN SALE

Three months ago, Missouri Gov. Matt Blunt announced he would sell Missouri's student loan authority to the tune of \$450 million. Although the plan has not yet been confirmed to be either legal or practical, the Missouri General Assembly has been embroiled in debate on how the funds will be spent.

SPOTLIGHT ON SCHOLARSHIPS

UND'S NEW ENGINEERING SCHOLARSHIP

This week, the University of North Dakota School of Engineering and Mines used an \$8,000 gift to start a new scholarship program for students majoring in electrical engineering. The scholarship will be worth up to \$1,000 per year.

The gift came from Otter Tail Power Company, an energy provider in North and South Dakota and Minnesota, which acknowledges the need to foster its potential workforce, especially electrical and mechanical engineers. Otter Tail also plans to endow scholarship funds at other institutions in the area.

UWLAW STUDENTS RECEIVE SHOWY GRANT

In December 2005, a \$33.3-million grant from the Bill & Melinda Gates Foundation of Seattle was used to establish the William H. Gates Public Service Law Scholarship Program at the University of Washington.

The program has just announced its first five recipients, all of whom will benefit from a three-year full ride that includes room and board along with tuition. For the next 80 years, the money will grant full scholarships annually to five incoming law students who pledge to work in the public sector after graduating.

Officials hope to use some of the funds to beef up the law school's existing public interest efforts by improving the curriculum, expanding internship programs, and increasing recruitment efforts