

TICUA Policy Update

April 4, 2008

Student Loan Bill Taken Off Notice

The student loan bill that was introduced by Senator Roy Herron has been taken off notice in both the House and the Senate. TICUA made the request in correspondence this week. Although the bill could be put back on notice, this typically means that the sponsor has no intention of moving forward with the measure during this session.

The bill, as amended, would have replicated Congressional action taken with the CCRAA this past year. The new loan regulations provided for in CCRAA become effective this upcoming July 1st.

Senate Education Passes Omnibus Bill

After a lengthy debate, the Senate Education Committee unanimously passed a 23 page amendment to SB611 which serves as the Senate's version of the lottery omnibus bill. Some of the key provisions include relaxing the eligibility requirements for non-traditional students, lowering the renewal GPA on the 48 hour benchmark to 2.75, increasing the income threshold for all income contingent programs from \$36,000 to \$39,000, changing the 120 hour requirement to 5 year equivalent, instituting the Tennessee Quality Teacher Fellowship, and creating a civic education scholarship. Of course the House will have to agree to these provisions before they become a reality and their Education committee deferred consideration on all lottery bills until next week.

Congress Introduces Bills to Help Ease Loan Crisis

Senator Ed Kennedy and Representative George Miller have introduced separate legislation that would increase loan limits and ease the application process for lender of last resort. Kennedy's bill would raise loan limits by \$1,000 for dependent students and \$2,000 for independent students, while Miller's bill would raise the limit by \$2,000 for all students. Only Kennedy's bill would provide for an increase the Pell Grant program from \$4,731 to \$5,481. These efforts demonstrate that Congress is beginning to take the instability of current student loan situation seriously.

Read more at <http://insidehighered.com/news/2008/04/04/loans>