

From: Jacquelyn Taylor
Sent: Monday, July 20, 2009 3:37 PM
To: Foley, Deirdre Ann; VanDenToorn, Susan M.
Subject: Opposition to FIL-35-2009 - but offer a suggestion

Dear Sir, Madam,

In reading the FIL-35-2009 announcement and in response to the agencies seeking comment on the aspects of the proposal, I offer the following:

1. The definition of "education loans" should NOT include private loans that are not governmentally insured or guaranteed. To do so would be misleading, and it would NOT guarantee that the funds, if granted, would be utilized for education. In which case, it becomes another way to acquire a loan from the government utilized as needed by the recipient which is unlawful and would create a more expensive means to police it; thereby allowing it to continue at untold costs to the government. In this light as to the second part of the proposal;

2. "Low income" should not be defined differently, it should remain and only change when the standard of cost of living is raised, and then only in the proportion as it is currently appraised. The relief to student family income or expected contributions can be appraised in the option below.

Option:

Instead of changing the CRA, it can have another article that is part of the CRA but addresses the economic needs of the family for supporting educational requirements, **only during high economical stress periods as being experienced now in the country**. The added provision should have the condition of the economic status defined, with limited availability. The loan is not given to the applicant, but paid directly to the institution in the name of the applicant upon receipt of satisfied enrollment and sustainment of enrollment; a term to be defined that ensures enrollment and sustainment of enrollment. In this manner, the provision of a "private loan" could be granted, the funds would be guaranteed to be utilized for education. This will allow for additional income to support the family need, but will hold the recipient or applicant responsible for the loan.

Once this act is changed then it will take more time to adjust it again when circumstances as faced now are no longer in effect. If not, then the proposed changes can and will be abused.

Whereas, if it includes a separate provision that will allow for the flexibility of the economic status, could provide support when needed but only when the economic status of the country supports it, and it will keep the CRA intact. Remembering that whether the economic growth of the country is in fluctuation or not, the original recipients of the CRA, the "low income" and "women" will always meet the same standards, and therefore should be protected, instead of lumping them in a category that includes others who do not, and will/may never meet/be in their status. This is why changing the CRA to support temporarily needing families would not be fair, is misleading, and will open the door to even higher untold costs due to abuse.

If the above option can not be considered, then my original opinion stands. The definition of education loans should not be changed to include private loans, and families will have to learn to adjust to their economic status just as the low income families and women have always had to do.

I trust I've understood the concept of the reason for the change and hope my option may be considered.

My contribution.
Jacquelyn Taylor