

Federal student loan organizations call for revision of student loan reconciliation bills

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Four federal student loan organizations wrote a letter to Education Committee chairmen and ranking Republican members in both houses urging them to reconsider subsidy cuts proposed in upcoming student loan reconciliation bills and to abandon their plans for a pilot student loan auction. The Consumer Bankers Association, Education Finance Council, National Council of Higher Education Loan Programs, and Student Loan Servicing Alliance signed the letter, which states that if the current bills are signed into law, “[b]orrowers will likely lose many, and in some cases all, of the borrower benefits currently offered by lenders.” The bills, which have passed through the U.S. House and Senate, propose cutting more than \$17 billion in subsidies to lenders and guarantors participating in the FFEL Program.

Montana senator proposes free college tuition

Senator Max Baucus (D-MT) has proposed legislation that would offer full scholarships to all high school graduates planning to major in math, engineering, science, or technology in college. As part of a new \$25 billion education incentives package, the legislation, according to Baucus, will make the United States more globally competitive, especially with China and India. The bill also includes assistance for rural teachers, scholarships for future math and science teachers, and additional funding for pre-kindergarten programs. Baucus’s program would apply to all universities, but in order to be eligible, students would have to work or teach in a related field for at least four years after graduation.

University of Oregon’s athletics program gets \$100 million donation

Phil Knight, co-founder and chairperson of Nike, and his wife, Penny, have announced their plan to donate \$100 million to the University of Oregon’s athletics program. The money, which will be utilized to build a new basketball arena, is the largest donation ever received by the university. Knight earlier gave more than \$50 million to the University of Oregon School of Law and its libraries and created a number of endowed faculty positions. However, donations to athletics departments on the scale of Phil and Penny Knight’s are uncommon. Critics have questioned the university’s priorities.