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From: [REDACTED]
Sent: Monday, June 15, 2009 12:18 PM
To: negreg09
Subject: Student Loans

FEDERAL STUDENT LOANS

There should be **NO UNSubsidized** loans. That is only a way for banks to make more money, mostly from students whose families who while having a high AGI, do not have the revenue on hand to pay for their child's school. The interest on UNSubsidized loans only punish and hurt the students who are going to school full time and need the money to live on, as well as students who have no other financial aid available to them. There is no good reason not to make all loan funds subsidized for the aggregate limit for the year and aggregate total lifetime. The UNSusidized loan is just wrong and unnecessary.

The loan interest rates as they are set now are arbitrary and silly. The interest rate should be set each year by a standardized measurement, such as using the FED rate in July as the loan rate for the next Aug. to July school year, or as some have suggested, the Fed rate +1.

While I understand that the bankruptcy law concerning student loans was primarily aimed at students who became doctors and lawyers that would work for a few years and then arrange for themselves to be able to file for bankruptcy to rid themselves of tens of thousands of dollars in debt owed both to banks and the DOE. But buy removing that option completely you are also hurting former students who truly need to file for bankruptcy. You helped the banks at the expense of the people. You should allow at 10 to 20 thousand dollars in student loans to be relieved through bankruptcy.

If there is no interest accruing on your loans while you are in school and the interest rates on your loans are manageable and affordable. More people will be able to pay off there loans without defaulting or claiming bankruptcy and the Direct Stafford loan can become a self-financing agency of the government. That benefits the people with a better education and skills which benefit the USA.

