



MISSOURI SENATE

Rob Mayer
25th Senate District

JEFFERSON CITY

CAPITOL BUILDING, ROOM 331
JEFFERSON CITY, MO 65101

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**Contact: Irene Murray
(573) 751-3859**

Leveling the Playing Field for College Loans

JEFFERSON CITY — Student loans play a central role in making dreams of receiving a higher education a reality for millions of Americans, including many Missourians. In 1981, the Legislature created the Higher Education Loan Authority of the State of Missouri (MOHELA) to provide low-cost student loans and other financial and educational resources necessary to help students successfully pay for their college education.

In today's marketplace, lender competition for student loans results in better rates and savings for borrowers, a stronger economy, and ultimately in putting more people in the job market. Currently, MOHELA — a secondary market that purchases student loans from lenders — is one of the only state-based student loan lending institutions in the country that does not originate, or serve as the original funding source for, federally-guaranteed Stafford loans.

To help level the playing field with student loan organizations from other states, I am sponsoring a change to current Missouri statutes that will allow MOHELA to originate Stafford loans. Currently, MOHELA originates other federal loans under the same Federal Family Education Loan Program (FFELP), but is not authorized to originate Stafford loans. By allowing MOHELA to expand its current offerings, students approved for Stafford loans can choose MOHELA from among a list of eligible lenders.

I believe the measure will help maintain and ensure MOHELA's long-term financial ability and the availability of low-cost student loans to Missouri students and families to help them achieve their education goals.

This week I introduced Senate Bill 1170 that creates the *Rebuild Missouri Schools Program*. Under the proposed bill, the state board of education will distribute no-interest loans to school districts that have facilities located in an area — declared a disaster area by the governor or president — that have experienced at least 50 percent damage or destruction as calculated by the Federal Emergency Management Agency (FEMA) due to an act of God. Loans will be distributed for portions of emergency projects for school facilities that are not covered by insurance or other public or private emergency assistance. Mother Nature has exacted her powerful strength on our area of the state a number of times and this legislation will help provide protection from such catastrophic events.

My Senate Bill 1158 regarding collective bargaining in schools was introduced this week. The bill, called the *Professional Relationships Between Teachers and School Districts Act*, will create and implement an appropriate procedural framework for teaching groups and school districts involved in collective bargaining negotiations. The Senate Education Committee, of which I am chair, will consider the proposal very soon.

I look forward to continuing to work on these and other important issues that affect the citizens of southeast Missouri, as the legislative season progresses with a number of bills moving to the Senate floor for consideration and debate.

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Senator Robert Mayer represents the people of Wayne, Ripley, Butler, Stoddard, New Madrid, Pemiscot and Dunklin counties in the Missouri Senate.