



IN THIS EDITION:

FEDERAL UPDATES

- **PELL MAX IS \$4000 IN 2002-03** 1
- **PRESIDENT GIVES ACT A HEROES WELCOME** 1
- **FAFSA ON THE WEB GETS NEW LOOK** 2

TG UPDATES

- **AIE FEATURED ON CABLE TV PROGRAM** 3
- **TELEPHONE CONFERENCE REMINDER** 4
- **FAFSA TELECONFERENCE REMINDER** 4

TRENDS AND ISSUES

- **EMPLOY JOBGUSHER™ IN YOUR DEFAULT PREVENTION EFFORTS**..... 4
- **OVER ONE MILLION SERVED WITH MYF ONLINE COUNSELING**..... 5

THIS, THAT, AND THE OTHER..... 6

FEDERAL UPDATES

Pell Max is \$4000 in 2002-03

After months of waiting and wondering, it’s official—the maximum Pell grant that an eligible student may be awarded for the 2002-2003 year is \$4000. This is a \$250 increase over the \$3750 maximum in place for the 2001-2002 award year. The increase became official when President Bush signed H.R. 3061, the 2002 appropriations act for the Departments of Labor, Health and Human Services, and Education, and Related Agencies on January 10, 2002.

For the full text of H.R. 3061, visit <http://thomas.loc.gov/cgi-bin/query/z?c107:H.R.3061.ENR:>

President Gives Act a HEROES Welcome

On January 15, 2002, President Bush signed into law the Higher Education Relief Opportunities for Students (HEROES) Act of 2001 (the Act). The Act authorizes the Secretary of Education to waive certain Title IV student aid statutory and regulatory requirements, as necessary, as a result of the national emergency spawned by the September 11, 2001, terrorist attacks or any subsequent incidents. During the Desert Shield and Desert Storm operations, the Education Secretary received the same waiver authority.

Affected Individuals and Institutions

The HEROES Act is intended to provide financial and administrative relief to the following affected individuals:

- Those serving on active duty or in the National Guard during the emergency,
- Those who reside in or are employed in a declared disaster area connected to the emergency, and
- Those who have suffered economic hardship as a direct result of the emergency.

The HEROES Act is also intended to provide reporting relief to the following institutions, if they are located in declared disaster areas connected to the emergency:

- Institutions of higher education,
- Lenders,
- Guaranty agencies, and
- Other entities participating in the administration of Title IV student aid.

Intent

The legislation is intended to ensure that:

- Affected education loan borrowers are not placed in a worse financial position because of their status as affected individuals.
- Administrative requirements on affected borrowers are minimized to ease their burden and help them avoid technical violations or default, without affecting the integrity of the loan programs.
- An affected individual's current year income is used to determine need for federal aid.
- Affected institutions participating in federal aid programs receive temporary administrative relief.

Additional Provisions

The HEROES Act also indicates that schools should provide a full refund of tuition and fees, or a comparable credit against future tuition and fees, to any students who withdraw because they are called to active duty in the Armed Forces. The Act also indicates that the same students should be given flexible re-enrollment options should they return to their school. Furthermore, the Act establishes that, when publishing any applicable waivers, the Secretary of Education shall publish examples of the use of professional judgment to adjust financial need and eligibility determinations for affected individuals.

FAFSA on the Web Gets New Look

The web version of the Free Application for Federal Student Aid (FAFSA) has recently received a makeover. The former dominant neon green screen has been replaced with easier-on-the-eyes lemon-lime and country blue hues. The new look is still located at the old address: www.fafsa.ed.gov.

Features

The FAFSA on the Web homepage is divided into several categories. The top half of the screen contains the following:

- Discover Your Opportunities!—This section gives a potential applicant an overview of the financial aid process.
- U.S. Department of Education, Federal Student Aid—This section tells users of upcoming deadlines and news about the web site.

The bottom half of the screen guides the applicant through every step of the FAFSA process:

- Before Beginning a FAFSA—This section encourages the applicant to gather required documentation, register for a Personal Identification Number (PIN), check deadlines, and take advantage of other hints.
- Filling Out a FAFSA—This section contains several versions of the application itself, including the Spanish version and Renewal FAFSA.
- FAFSA Follow-up—This section encourages the applicant to be proactive and check the status of the application after he or she applies.

Links

The FAFSA on the Web site also provides the user with links to the (also recently updated) PIN site—at www.pin.ed.gov, the Student Guide, and other financial aid web sites.

Questions

For questions regarding the FAFSA on the Web, users should call 1-800-4FED-AID or submit their queries online by selecting “Contact Us” from the menu bar at the top of the page.

TG UPDATES

AIE Featured on Cable TV Program

TG’s *Adventures In Education* (AIE) (www.AdventuresInEducation.org) is featured in a special report on the television program titled “.com.” The segment showcasing AIE—“The Path to Higher Education”—highlights AIE’s usefulness as a tool for college and career planning as well as for managing finances and avoiding student loan default.

Michelle Enriquez, AIE’s Web Site Content Director, and Shelia Dunlap, Assistant Vice President/Manager of Default Prevention at TG, are featured in the report, along with Debra F. Craig, Director of Secondary School Services, The College Board, Southwestern Regional Office. Mark Hamill hosts the episode, which will be rebroadcast on BRAVO on Friday, February 1, at 7 a.m. (CST) and on TechTV on Sunday, February 3, at 7 a.m. (CST). It aired initially on CNBC on Saturday, January 26.

In addition to the national broadcast on these cable channels, the “.com” viewer site, http://www.dotcom.tv/index_texas.html, allows visitors to watch the segment on-demand in full motion video.

Telephone Conference Reminder

Remember to register for the first of TG's 2002 telephone conferences on February 4, 2002, from 2-3 p.m. CST. The free session will offer participants the opportunity to discuss distance education, e-signatures, and the Meteor Project.

To register, contact Premiere Conferencing at (800) 289-0579 or send an e-mail message to theresa.schlaak@premconf.com. When registering please provide confirmation number 676774.

If you have particular questions relating to the topics, submit them to Emily Yeager at emily.yeager@tgslc.org before the session.

FAFSA Teleconference Reminder

Looking for a reliable resource to help families and students begin the process of locating financial aid? Why not encourage them to participate in "Applying for Financial Aid: The FAFSA Process" on Thursday, February 7, 2002, from 6:30 to 8:30 p.m.?

Here are just a few of the benefits offered by the 2002 event:

- Expert information from financial aid professionals to guide families and high school students through the process of filling out the FAFSA.
- Availability of financial aid experts (including Spanish-speaking experts) who respond to questions from viewers who call the Texas Financial Aid Information Center toll free at (877) 782-7322 at the end of the broadcast.
- Awarding of six, \$500 Rising Star Scholarships from TG and a complete computer system from Higher Education Servicing Corporation to high school seniors who view the event at an organized host site.

Find out more about the 2002 FAFSA Teleconference, including the Spanish version, in *Shoptalk Online* Edition 131 at <http://www.tgslc.org/tgslc/shoptalk/2001/st131/st13103.htm#fafsa>.

More Information and Questions

For more information or questions about the 2002 FAFSA Teleconference, contact Richard Sapp at (800) 252-9743, ext. 2865, or send an e-mail message to richard.sapp@tgslc.org.

TRENDS AND ISSUES

Employ JobGusher™ in Your Default Prevention Efforts

Borrowers who are employed are more likely to repay their student loans, and less likely to go into default. In addition, schools have a vested interest in helping their students avoid default through job placement assistance.

To support efforts to prevent student loan default, Education Assistance Services, Inc. (EAS), a wholly owned subsidiary of TG, has developed JobGusher™. JobGusher is an online recruitment service that connects high school, undergrad and grad students, as well as recent college graduates, with employers offering internships, seasonal and temporary work, part-time and full-time entry level positions, and other career opportunities. JobGusher is located at www.jobgusher.com.

JobGusher's service is designed to act as an extension of campus default prevention programs. The service offers a variety of unique recruitment assistance tools that provide maximum value to jobseekers, schools, and employers:

- Free resources and employment opportunities for students and recent graduates
- Free campus job postings for schools
- Extensive employment resources/tips for students
- Reports
- Featured Employers on the JobGusher homepage
- Highlighted Featured Jobs from companies who want to hire immediately
- Online Job Fairs where students from across the nation can participate
- Online access to system reminders and messages

Additional Information

To assist you in providing information to students about JobGusher services, an informational flyer is available for your use. Contact JobGusher customer care, toll-free by telephone, at 1-866-JOB-GUSH, or by e-mail at customercare@jobgusher.com to request the flyer and/or learn more about JobGusher.

Over One Million Served with MYF Online Counseling

Well over one million students have completed online student loan counseling through *Mapping Your Future* (MYF) (www.mapping-your-future.org). On Tuesday, January 7, 2002, at 3:30 p.m., a student attending Richard Stockton College in New Jersey became the millionth person to take advantage of the service.

MYF's Online Student Loan Counseling allows students and schools to meet loan counseling requirements online at any time of the day or night. MYF offers the online process for Perkins or Stafford entrance or exit counseling.

And if the current pace continues, MYF should reach its second million soon. Tens of thousands of students have completed counseling since January 7, bringing the total number of confirmations issued by MYF to well over a million. The majority of students have visited the site to complete Stafford Entrance Counseling, which was first offered on the site in 1997. Stafford Exit Counseling was offered in the summer of 1998, Perkins Entrance Counseling in the fall of 2000, and Perkins Exit Counseling in the spring of 2001.

MYF's Online Student Loan Counseling benefits schools and students in a variety of ways:

- It enables them to meet federal loan counseling requirements conveniently.
- It enhances the loan management education of students by actively involving them in the counseling—making Online Student Loan Counseling a valuable default prevention tool.
- It offers busy financial aid professionals an opportunity to spend more time with students needing personal assistance in the loan process.

Additional Information and Questions

To find out more about MYF's Online Student Loan Counseling, visit the Online Student Loan Counseling page at <http://www.mapping-your-future.org/services/oslcidx.htm>.

For questions about the service, or to find out more about MYF, contact Cathy Mueller at cathy.mueller@mapping-your-future.org.

Online Student Loan Counseling is a free service provided by TG and other guaranty agencies from around the country that sponsor MYF.

THIS, THAT, AND THE OTHER

The U.S. House of Representatives has passed S. 1762, a bill that would solve the 2003 Interest Rate Problem. The Senate passed this bill during the last session of Congress. Now S. 1762 goes to the President, who is expected to sign it.

For background on the issue, see *Shoptalk Online* Edition 134, “2003 Interest Rate Problem: The Problem and Possible Solution.”

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To ask questions about the articles in *Shoptalk Online*, subscribe or order additional copies, please contact Communications at (800) 252-9743, ext. 2878 or communications@tgslc.org.

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