



New Legislation Limits the Time for Student Loan Borrowers to Save

edfed, September 10, 2007

URL: <http://www.pr9.net/society/socedu/6309september.html>

Those with federal student loans are advised to act fast and consolidate their loans with EdFed before October 1 to ensure that they receive as much savings as possible.

PR9.NET September 10, 2007 - Pasadena, CA - With the College Cost Reduction and Access Act of 2007 only one step away from being passed, federal student loan borrowers have limited time to take advantage of EdFed's borrower benefits.

If this bill does indeed go into effect, it will cut about \$21 billion from Federal Family Education Loan (FFEL) programs such as EdFed. This budget cut may very well lead to the elimination of borrower benefits. Thus, EdFed may no longer be able to offer interest-rate reductions after October 1. Borrowers with federal student loans need to act now to ensure they receive the savings that EdFed offers.

Currently, these money-saving benefits can lower borrowers' interest rates by as much as 1.25%, potentially saving them thousands of dollars over the lives of their federal student loans. These savings can be lost if this bill is passed.

"We've been keeping an eye on this legislation since the speculation began about its passing," said EdFed manager Carina Zaragoza. "It now appears that the proposed changes will be approved. It is crucial that all federal student loan borrowers understand the negative repercussions this bill will have on their education debt. The elimination of borrower benefits, essentially interest-rate reductions that translate into thousands of dollars in savings, will have a dire impact on borrowers."

EdFed helps students and graduates manage their multiple student loans through consolidation. This not only helps borrowers save a substantial amount of money, but it also helps them save time.

What's more, EdFed guarantees that once borrowers qualify for its interest-rate reductions, they can never be lost or taken away, regardless of the circumstances. After October 1, however, this offer may become moot.

"With the October 1 deadline only days away, borrowers must act now and consolidate their federal student loans immediately," said Zaragoza. "Doing so will give them the best chance to receive the savings they deserve."

To beat the upcoming deadline and save a substantial amount of money, borrowers can begin their federal consolidation applications by calling 800-821-5659 or visiting www.edfed.com today.

###

About edfed

As a leader in the student loan industry, EdFed is dedicated to helping students and graduates realize all of their educational goals and meet their student loan and consolidation needs.

Phone: 800-821-5659
Website: <http://www.edfed.com>
E-Mail: bheath@edfed.com