



**FINANCE AND ADMINISTRATION CABINET
KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY**

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FOR IMMEDIATE RELEASE

Kentucky maintains low student loan default rate

FRANKFORT, Ky. (Oct. 4, 2007) — Efforts to help Kentuckians avoid defaulting on their student loans are being met with success according to the Kentucky Higher Education Assistance Authority (KHEAA) and The Student Loan People, the state's only public, nonprofit student loan provider.

The latest statistics from the U.S. Department of Education indicate 93 percent of borrowers with loans guaranteed by KHEAA and 94 percent of those with loans from The Student Loan People are successfully repaying their student loans.

"As part of our public-purpose mission to increase access to higher education, we have an obligation to ensure Kentucky students successfully manage their student loan debt," said Edward J. Cunningham, Executive Director/CEO of KHEAA and The Student Loan People. "To that end, we are pleased to provide a number of services designed specifically to help those who must borrow to pay for college or technical training."

KHEAA and The Student Loan People programs and services, which provide borrowers with important information about their student loan options and responsibilities, include:

- **How to Save if You Have to Borrow**—A feature at www.kheaa.com that contains loan cost comparisons of KHEAA's largest lenders.
- **Investing in Your Future** — Loan counseling for new borrowers.
- **It's Money, Baby** — Financial literacy seminars conducted on college campuses.
- **The Keys to Successful Repayment** — Loan counseling for borrowers who are graduating or leaving school.
- **Borrower advocates** — Staff who provide personalized assistance and counseling to borrowers on ways to keep their loans in good standing, including:
 - **Repayment options**—A choice of standard, graduated and income-sensitive repayment options.
 - **Consolidation Loans**—A program that combines several types of federal loans into a single loan to reduce monthly payments.
 - **Deferment and forbearance** —Temporary reduction or suspension of payments due to economic hardship, military service or a number of other circumstances.

Borrower advocates may be reached by calling (800) 928-5327. For more information about KHEAA's financial aid programs, visit www.kheaa.com; write KHEAA, P.O. Box 798, Frankfort, KY 40602-0798; or call (800) 928-8926, extension 7381. For more information about student loans, visit www.studentloanpeople.com; write The Student Loan People, P.O. Box 24328, Louisville, KY 40224-0328; or call (888) 678-4625.