

**BOARD OF GOVERNORS  
STATE UNIVERSITY SYSTEM OF FLORIDA  
Student Affairs Committee  
June 13, 2007**

**SUBJECT:** Student Loan Practices

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**PROPOSED BOARD ACTION**

For information.

**AUTHORITY FOR BOARD OF GOVERNORS ACTION**

Section 7(d), Art. IX, Florida Constitution; Section 1001.705, Florida Statutes

**BACKGROUND INFORMATION**

Recent developments in the student loan industry have raised a number of questions. The U.S. Department of Education and Congress have been considering several regulatory and statutory changes to address related concerns. In order to anticipate how proposed changes might affect Florida, the Chancellor sent a letter to State university presidents on May 3, 2007, requesting information about lending practices within the System.

The Florida Attorney General also initiated a statewide investigation into practices surrounding the placement of student loan companies on schools' "preferred" lender lists. His Office sent out a letter on May 7, 2007, requesting additional information from the State universities.

Board staff will provide members with an overview of the current situation and an update on the two aforementioned information requests.

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**Supporting Documentation:** Chancellor's Questions to Universities  
Attorney General's Questions to Universities  
American Council on Education Background Paper

**Facilitators/Presenters:** Vikki Shirley, General Counsel  
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