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Georgia Student Finance Commission  
Georgia Student Finance Authority  
Georgia Higher Education Assistance Corporation  
GAcollege411

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PRESIDENT

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## Georgia Student Finance Authority Suspends Lending In the Federal Family Education Loan Program

Atlanta, GA – Effective March 15, 2010, the Georgia Student Finance Authority (GSFA) will suspend its lending program under the Federal Family Education Loan Program (FFELP). GSFA is Georgia's only state based non-profit lender for student loans. According to GSFA President Tim Connell, "This decision was a very difficult one to arrive at but the combination of pending federal legislation, a declining market for FFELP loans and a very adverse economic environment tells us this is the right thing to do". As part of the suspension of the loan program, GSFA will be forced to undertake staff layoffs.

GSFA will continue to service FFELP loans. The Georgia Higher Education Assistance Corporation (GHEAC) will continue its role as a guaranty agency.

"For more than 40 years, GSFA had proudly made FFELP loans to Georgia students," added Connell. GSFA will continue the administration of state funded scholarships and grants such as the HOPE Scholarship Program, assist students with loan default prevention, promote GAcollege411, provide training and outreach services to parents, students, counselors and financial aid professionals. GSFA differs from the "for profit" lenders in that any earnings made on the FFELP loans is returned to Georgia citizens in the form of reduced cost loans, outreach and other services.

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### **About the Georgia Student Finance Commission**

Since 1965 the Georgia Student Finance Commission (GSFC) has provided more than \$9 billion in financial aid to help **over two million** Georgians achieve their dreams of higher education. GSFC and the Georgia Student Finance Authority (GSFA) fund and services 15 different low-interest education loan programs including Stafford and PLUS loans, consolidation loans, and state service cancelable loans. GSFC also administers multiple scholarship and grant programs, including the nationally acclaimed HOPE Scholarship and Grant Program. The Georgia Higher Education Assistance Corporation (GHEAC) is a guarantor in the federal student loan program. Additional information about GSFC products and services is available at [www.gsfc.org](http://www.gsfc.org) or (800) 505-GSFC (4732).