

MEMORANDUM

February 26, 1972

TO: Senator
FROM: Dan S.
SUBJECT: Busing

To Dan Spiegel

With the current preoccupation in Florida with the busing referendum on the ballot, people have forgotten one issue on the ballot which is on student loans. This could be called the "forgotten amendment." It is a good way to talk about quality education when you are asked about busing. We have prepared a little statement for you with the editorial from the Florida Times-Union.

"THE FORGOTTEN AMENDMENT" -- STUDENT LOANS

TOO MANY VOICES IN FLORIDA HAVE BEEN HEARD ON THE SCHOOL BUSING ISSUE. AND TOO FEW HAVE BEEN HEARD ON THE REAL ISSUE--QUALITY EDUCATION FOR ALL OUR CHILDREN.

WE KEEP HEARING ABOUT THE BUSING STRAW BALLOT ON MARCH 14. BUT WE DON'T HEAR ENOUGH ABOUT THE STUDENT LOAN AMENDMENT ON THE BALLOT--THE "FORGOTTEN AMENDMENT."

THIS PROPOSED AMENDMENT, INCREASING THE AVAILABILITY OF LOANS FOR PROFESSIONAL AND HIGHER EDUCATION, WILL PROVIDE A CRUCIAL MARGIN OF FINANCIAL SUPPORT FOR MANY FLORIDIANS--WHO OTHERWISE MIGHT NOT BE ABLE TO CONTINUE THEIR EDUCATION.

WITH ALL OUR CONCERN ABOUT BUSING, LET'S NOT FORGET THE PLIGHT OF MANY FAMILIES CAUGHT BETWEEN THE GREAT NEED FOR COLLEGE EDUCATION AND THE GREAT COSTS IT ENTAILS.

THE AMENDMENT, IF PASSED, WILL PROVIDE A LOAN POOL OF ALMOST \$40 MILLION FOR THE CITIZENS OF FLORIDA. STUDENTS HAVE PROVED THEMSELVES TO BE EXCELLENT LOAN RISKS. THE DEFAULT RATE IN FEDERAL LOAN PROGRAMS HAS BEEN LESS THAN ONE PERCENT.

THE NEED IS GREAT--AND SO IS THE OPPORTUNITY THAT THE PEOPLE OF FLORIDA NOW HAVE WITH THE STUDENT LOAN AMENDMENT.

I CALL UPON ALL THE PEOPLE IN FLORIDA TO SUPPORT THE REAL ISSUE IN EDUCATION--QUALITY EDUCATION. AND THE BEST SUPPORT THEY CAN GIVE IS TO APPROVE THE STUDENT LOAN AMENDMENT ON MARCH 14.

Florida Times-Union

A 'Yes' Vote on Student Loans ^{3/19/77}

One issue on the March 14 ballot threatens to become lost in the welter of presidential candidates and questions which draw much greater public attention such as school busing, equal educational opportunity, school prayer, all on the straw ballot and judicial reform, up as a constitutional amendment.

However, for thousands of prospective college students the "forgotten amendment" may well decide whether or not they can receive a higher education.

Basically, what the proposed student loan amendment would do is to provide additional money — between \$25 and \$40 million — as a pool from which deserving applicants can borrow in order to further their educations.

Although there are loan programs at present, the need is greater than the supply. The College Entrance Examination Board for the Florida Department of Education placed unmet needs for the 1970-71 school year at \$33.5 million.

The qualified student can get a loan to attend public or private universities, colleges or junior colleges, professional nursing diploma schools or public vocational training centers.

It would be a loan. The borrower must pay it back. And, so far, the students have proven to be good credit risks.

The amendment's sponsor, Sen. Robert Graham, of Miami, reports that under the federally insured student loan program now in existence, the default rate has been less than one percent.

When one considers that several billion dollars has been loaned under this program nationwide in its six-year existence, the performance in paying back has been impressive.

There is not enough money available from present loan programs, however, with the result that many students from middle or low income families — well and even highly qualified academically — cannot pursue their educations beyond high school.

Florida's taxpayers will not be required to foot the bill, through the state general revenue fund, even in case of default. Nor will the state taxpayers be required to put up the collateral.

The bonds will be backed by the current level of student fees pledged to financial aid programs — \$9 per year, per student — plus the pledge of repayment by student borrowers. The federal government will guarantee student loan repayments.

What the program amounts to is an expansion of current student loan programs which have become inadequate to meet the growing need.

We look to the Legislature in its implementing bill to put in all possible guarantees that the loans will go to students who qualify — in ability, in need, and in serious desire for continuing their educations.

Meanwhile, we recommend a favorable vote on the amendment. It is a necessary and desirable way to fill the need without further burdening the taxpayer.



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