

**Harrisburg Patriot-News**  
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**What Took So Long?**

As Pennsylvania's students and families are deciding how they will pay for college next year, the Pennsylvania Higher Education Assistance Agency opened up its coffers to increase its grant program. This is great news for the commonwealth's students, but they should be asking PHEAA, "What took so long?"

As your editorial ("Tuition crunch breather," April 26) correctly assumed, PHEAA turned spring into Christmas once Sallie Mae began asking the basic questions about the agency's efficiency in running Pennsylvania's student loan business.

PHEAA's offer of \$265 million over the next four years pales in comparison to the \$1 billion we have offered to taxpayers.

Just the hint of true competition has forced PHEAA to free up millions of dollars and put them where they belong -- in the hands of students. Competition has also led PHEAA to commit recently to adding more jobs, and to admit that Sallie Mae has the lowest-cost loans in Pennsylvania.

Imagine what would happen if every family and school had an open and fair choice of education lenders.

PHEAA uses its power over grants to control the state's student loan marketplace. With an 80 percent market share, PHEAA has effectively closed the market to competition. PHEAA makes and guarantees loans for their school and student customers.

When combined with their grant authority -- and their authority to audit school customers -- these functions create an apparent conflict of interest.

The commonwealth needs to examine PHEAA's monopoly more carefully.

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