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Sallie Mae could raise bid for PHEAA

A top executive of Sallie Mae said Monday that the giant student-loan corporation is open to raising its \$1 billion bid to take over the student-loan administration of the Pennsylvania Higher Education Assistance Agency. The board of the state's student-aid agency, known for its low-interest loans and grants, rejected Sallie Mae's unsolicited offer in late December, but the Reston, Va.-based corporation continues to press its bid in Harrisburg. The state House Appropriations Committee plans to hold hearings on the offer on Thursday. June McCormack, Sallie Mae's executive vice president of servicing and sales marketing, said the corporation is "absolutely not" opposed to raising the offer, if PHEAA found it to be too low. Sallie Mae proposed to take over servicing of PHEAA's \$45 billion portfolio of loans and grants by paying the state \$500 million up front, followed by \$100 million annually over five years.