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**PHEAA's lesson**  
**Editorial**

Apparently, there is nothing like an external threat to refocus a public agency on what it is supposed to be doing.

Soon after the private college-loan company Sallie Mae made an unsolicited \$1 billion buyout offer for the state-run Pennsylvania Higher Education Assistance Agency loan program, PHEAA suddenly came up with more money for grants. It claimed that the increase was not related, but the timing was fortuitous

The decision raised the question of why PHEAA was hoarding money for investment -- which helped to make it attractive for a hostile takeover -- that it could have pumped back into student loans and grants all along.

And the amount is significant. PHEAA said it will pump an additional \$55 million into grants for the next academic year -- \$45 million for need-based grants and \$10 million for grants for working adults who want to return to college. The agency also said it will increase the amount by \$7.5 million in each of the next four years. The funding will come from the agency's earnings on its loan portfolio.

That is exactly what it should do with the money. The Legislature, which controls the agency board through appointments, should find out why the agency has waited until now to make such large increases. It also should explore what else the agency can do to make college more accessible.