

EXECUTIVE ORDER 79-01

GUARANTEED STUDENT LOANS

WHEREAS, the providing of financial aid to individuals to assist them in pursuing their college or university education brings tangible benefits to the state through the development of the talents of those individuals; and

WHEREAS, the expansion of loan availability in Washington is needed to augment presently existing grant, loan and work study programs by serving middle income populations in both public and private higher education who are unable to qualify for such other forms of assistance; and

WHEREAS, a student loan, unlike most other aid programs, requires a self-help commitment of the student to assist in financing his or her education through repayment of the loan; and

WHEREAS, Congress, through the 1976 amendments to the federal Higher Education Act of 1965 has asked the State of Washington to replace the federal government's program of loan insurance for students, either through a state financed and administered program or through a program run by a private corporation designated by the state; and

WHEREAS, a private guarantor of student loans is able to finance itself without reliance on state financial support and thereby avoid violating the state's constitutional prohibition against lending the state's credit.

THEREFORE BE IT RESOLVED THAT, I, Dixy Lee Ray, Governor of the State of Washington, in accordance with provisions of the federal Higher Education Act of 1965, do hereby designate the Washington Student Loan Guarantee Association to act as a guarantor of student loans made by lending institutions within the State of Washington pursuant to that act as amended and subject to approval by the United States government for receipt of federal financial benefits.

BE IT FURTHER RESOLVED, that no action of the Washington Student Loan Guarantee Association shall be deemed a pledge of the credit of the state.

IN WITNESS WHEREOF, I
have hereunto set my hand
and caused the seal of the
State of Washington to be
Affixed at Olympia this 16th
day of February A.D.,
Nineteen hundred and
seventy-nine.

DIXY LEE RAY

Governor of Washington

Additional

BY THE GOVERNOR:

Secretary of State