



OFFICE OF ILLINOIS STATE TREASURER

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Illinois Treasurer Michael Frerichs Provides New Loan Option for College Students

*Partnership with Non-Profit ISL Education Lending
Provides Low-Cost Student Loans for Illinois Residents*

SPRINGFIELD – A new, low-cost loan program to bridge the gap between college savings and financial aid will make it easier for thousands of Illinois residents to graduate with a university degree, Illinois State Treasurer Michael Frerichs said today.

The state treasurer's office is partnering with the non-profit ISL Education Lending to offer transparent and affordable private student loans to qualifying Illinois students and families when the student will attend a nonprofit college or university in Illinois.

"We firmly believe the best way to pay for college is investing early in a college savings plan," Frerichs said. "We also know that many families need to rely upon borrowing to pay for some costs associated with college or trade school. That is why we are pleased to partner with ISL Education Lending, a nonprofit organization that has been in this market for 40 years."

"We appreciate the efforts of Treasurer Frerichs in enabling us to leverage their financing authority to make low-cost loans to Illinois students and families," said Steve McCullough, president and CEO of ISL Education Lending. "We also look forward to the Treasurer's guidance and support as we develop this product to help students and families throughout Illinois."

The Illinois Partnership Loan Program is designed to supplement, not replace, other sources to pay for college. ISL Education Lending encourages students to work with financial aid professionals at their respective colleges and universities to explore and exhaust all sources of student financial aid before seeking a private student loan.

During the past 40 years, ISL Education Lending has helped nearly 400,000 students and families pay for college. It entered the private student-loan space in 1992.

ISL Education Lending provides details and rate information before the student or family begins the application. The loan applicant can choose an immediate repayment plan, interest-only payments, or deferred payment while the student is in school. Details, including eligibility criteria and credit score

requirements for different rates, are at www.studentloan.org/illinois, and loan applications are being accepted for fall 2023 enrollment.

The need for affordable higher education financing options is on the rise. With limited federal loan limits and increasing reliance on private student loans, students often face the difficult decision of taking on substantial debt or abandoning their education. To help fill the funding gap, The Student Investment Account Act (110 ILCS 991) was enacted. This act permits the Office of the Illinois State Treasurer (“Treasurer”) to establish an investment vehicle, which will invest up to five percent (5%) of the State Investment portfolio on a continuing and recurring basis in opportunities to provide affordable and responsible education loan products to Illinois residents. To prepare for the launch of the Student Investment Account, the Treasurer engaged stakeholders, hosted virtual panels, issued requests for information, and formed partnerships with the Milken Institute, the Student Borrower Protection Center, SL Capital Strategies, and Hinshaw & Culbertson LLP; Chapman and Cutler, LLP.

About the Illinois Treasurer

The Illinois State Treasurer’s Office is a powerful economic engine that invests in people to drive prosperity, development and growth throughout the state. As State Treasurer, Michael Frerichs (FRAIR'-iks) is the state’s Chief Investment and Banking Officer and actively manages approximately \$55 billion. The investments help families pay for college and trade school; workers save for a dignified retirement; and local governments process bill payments more efficiently so they can pass along the savings to taxpayers. The office provides financial institutions money to loan to farmers, small business owners, and qualified individuals at below-market rates because better jobs create stronger communities. The office operates the state’s largest consumer-protection initiative, the unclaimed property I-Cash program, which has returned a record-breaking \$1.8 billion since Frerichs was elected.

For more news about the State Treasurer’s Office, please follow Treasurer Frerichs on Twitter, at @ILTreasurer, Instagram at ILTreasurer, at [Linkedin](#) and on Facebook at [Invested in You – Treasurer Michael Frerichs](#).

About ISL Education Lending

Established in 1979 as Iowa Student Loan Liquidity Corporation, a private, nonprofit organization, ISL Education Lending helps students and families obtain the resources necessary to succeed in postsecondary education. ISL Education Lending has helped nearly 400,000 students pay for college. The organization, based in West Des Moines, Iowa, also provides an array of borrower benefits, financial literacy tools and community reinvestment programs, including support for free college planning services for students and their families. For more information about ISL Education Lending, visit www.studentloan.org/illinois.

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