

## Confidential data misused by loan groups

*by UPI*

WASHINGTON - U.S. government and university officials allege some lending institutions have mined confidential data about student borrowers for marketing purposes.

The Washington Post reported Sunday that certain lenders who can access the government-run database of student loan borrowers have violated federal regulations by searching for specific marketing data.

With the National Student Loan Data System containing records of 60 million students, complete with social security numbers and loan balances, the Education Department is contemplating shutting it down temporarily.

While no evidence has been found that proves lenders used the data to directly market to the students, department officials remain convinced that marketing goals were behind the illegal actions.

Meanwhile, financial aid officials from several U.S. colleges have pointed out that such a misuse of data could be behind a recent influx of consolidation offers to student borrowers.

"Our students are being inundated with marketing from consolidation companies," said Eileen K. O'Leary of Massachusetts' Stonehill College. "How else are the consolidation companies getting our students' information?"

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