



Office of the General Counsel

B-230296

May 6, 1988

Dear :

This responds to your inquiry concerning Mr. _____, a native of Palau, regarding his student loans and work status.

We have reviewed your inquiry; however, the questions you raise are the responsibility of other agencies of the government.

In an effort to provide you with some assistance, we contacted the Department of Interior, Office of Territorial and International Affairs, and the Department of Education, Office of Policy Development-Post Secondary Education.

We were informed by the Department of Interior that while there is a proposed Compact of Free Association between the United States and Palau, it has not been ratified. The Compact is still subject to negotiation and ratification. As such, the information you received in the April 8, 1985 letter from the Department of Interior remains accurate. In summary, while Trust Territory citizens are eligible for student loans, if they are planning to attend schools in the United States, they are not eligible to obtain a work status. Any further questions on this matter should be directed to:

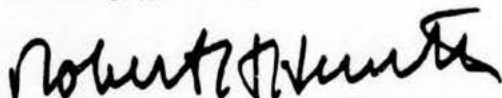
Mr. Robert Sturgill
Office of Territorial and International
Affairs
U.S. Department of the Interior
18th & C St., N.W.
Washington, D.C. 20240

We have been informed by the Department of Education that your questions regarding Mr. [redacted] default status on his student loan should be directed to:

Mr. Saul Moskowitz
Branch Chief for Guaranteed Student Loan Program
Room 4310 ROB
U.S. Department of Education
400 Maryland Ave., S.W.
Washington, D.C. 20202

We hope we have been of some assistance.

Sincerely yours,



Robert H. Hunter
Assistant General Counsel

cc: