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Stand with Attorney General Lisa Madigan to protect student loan borrowers from unscrupulous student loan servicing companies.

Call your State Senator and Representative to
Urge them to **override** Governor Rauner's veto of the
Student Loan Bill of Rights – SB 1351

Find your legislator at

<http://www.elections.il.gov/districtlocator/addressfinder.aspx>

The Student Loan Bill of Rights, Senate Bill 1351, would require student loan companies to provide all options to borrowers. An investigation by Attorney General Madigan revealed that student loan servicing companies fail to tell borrowers about all of their repayment options and put them into more expensive repayment plans. The bill also requires student loan companies to be regulated by the state, and formally establishes a Student Loan Ombudsman in the Attorney General's office to help borrowers across the state.

SCOPE OF THE STUDENT LOAN DEBT PROBLEM

- **Student loan debt has skyrocketed.** Over the past decade, student debt has doubled to become the largest type of unsecured consumer debt in the country. **Over 40 million borrowers owe more than \$1.4 trillion.** Nearly 70 percent of graduates leave college with an average debt burden of \$30,000.
- **Borrowers are distressed.** One in four borrowers is behind on payments or in default. *In fact, there are 3,000 student loan defaults per day.* While federal income-based repayment options are available, the U.S. Treasury has reported only 20 percent of eligible borrowers are enrolled. According to a recent report by the federal Consumer Financial Protection Bureau, 9 in 10 of the highest-risk borrowers are not enrolled in income-based repayment plans.
- **Servicers are not doing enough to help struggling borrowers.** Illinois borrowers frequently experience problems with their student loan servicers. *Thousands of borrowers* have complained their servicers have failed to provide them with affordable repayment options, including federal income-based payment plans that would keep borrowers out of default; follow payment instructions; and answer questions consistently.
- **Attorney General Madigan sued the largest student loan servicer in the country.** On January 18, 2017, the Attorney General sued Navient over widespread abuses across all aspects of its business, including student loan servicing and student loan debt collection. The lawsuit alleged that when borrowers struggling with their federal student loans called Navient for help, the company steered them into successive deferrals that increased the overall cost of their loans instead of informing borrowers about federal income-based repayment plans.
- **Student loan debt hampers economic growth.** The crushing weight of student loan debt has hindered people from purchasing homes and cars or from starting small businesses that create jobs.

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