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ADVOCATES APPLAUD CFPB'S NEW REPORT ON PRIVATE STUDENT LOAN COMPLAINTS

(BOSTON) Today, the Consumer Financial Protection Bureau (CFPB) released its [annual Student Loan Ombudsman's report](#) noting that almost half of all private student loan complaints received were related to consumers seeking a loan modification or other option to reduce their monthly payment in a time of distress. The agency also issued a consumer advisory to help borrowers instruct servicers on payment processing. "The CFPB report highlights the need to make student loan repayment easier for borrowers, particularly those with multiple accounts," said Deanne Loonin, project director of the National Consumer Law Center's [Student Loan Borrower Assistance Project](#). "I applaud the CFPB for focusing on these critical issues, especially since it is so difficult for private student loan borrowers to get relief from burdensome debt. Borrowers need help navigating the system as early as possible to help avoid delinquency and default."

The report analyzes private student loan complaints and comments received between October 1, 2012 and September 30, 2013. "The most common complaints," according to Loonin, "mirror the problems we see with our low-income clients." These include confusion about settlement options, problems with payment applications, and lost information when accounts are transferred. "In addition to improving servicing for private student loan borrowers, this is a critical time for [policymakers to create relief options for student borrowers](#) who were harmed by irresponsible private student lenders," said Loonin.

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Since 1969, the nonprofit **National Consumer Law Center® (NCLC®)** has worked for consumer justice and economic security for low-income and other disadvantaged people, including older adults, in the U.S. through its expertise in policy analysis and advocacy, publications, litigation, expert witness services, and training. www.nclc.org

NCLC's Student Loan Borrower Assistance Project provides information about student loan rights and responsibilities for borrowers and advocates. We also seek to increase public understanding of student lending issues and to identify policy solutions to promote access to education, lessen student debt burdens, and make loan repayment more manageable. www.studentloanborrowerassistance.org