

Macias, Wendy

From: [REDACTED]
Sent: Tuesday, June 23, 2009 7:52 AM
To: negreg09
Subject: Student Loan Legislation

Department of Education,

Thank you for taking a minute to read this email, and sharing it with the appropriate sources.

The whole institution of student loans needs a dramatic overall. However, please remember the following two key areas.

1. Remove the prohibition from refinancing existing student loans.

Legislation was passed in the 1990's prohibiting anyone prior to 1997 from refinancing their student loans once consolidated. As such, there are many thousands of us trapped with a high interest rate, and no chance to refinance. Some have needlessly been forced into default. Tomorrow, next year, maybe me. I've come close several times.

For the record, I was never informed that once I consolidated my student loans I would be trapped in a one way, dead-end street. Now I am stuck for life. Please repeal the single holder rule. This is a terrible law, and put in for all the wrong reasons.

2. Restore Basic Consumer Protections to Student Loans. Certainly, everyone should pay their debts. But no one... with full knowledge of the facts... could borrow or co-sign a student loan. It is an insane risk. If an unforeseen

tragedy or calamity occurs causing a default, the borrower (with no consumer protections under existing law) would be destroyed until death.

Student loans are the only U.S. loans not protected by federally enforced consumer protections, and student loan lenders have the greed and unethical practices of credit card companies. This is a terrible combination.

With no consumer protections, lenders have virtually uncontrolled power. The collection practices used are egregious, and would never be allowed anywhere else.

If you ever stumble... or if for no fault of your own you lose your job... or if some unforeseen series of misfortunes occur, the penalties and compounded interest charged by these pirates make it impossible to ever see the light of day again. Even if you try to keep up, what good is it? They will eventually confiscate your social security payments. Is it the stated goal of the federal government that a person should end up homeless because he tried to improve his life?

No one is proposing wholesale student loan bankruptcies, and it is a dishonest argument for some to make. But sometimes, the world falls apart under your feet.

Why does everyone in this country (including banks) get a second chance... everyone but borrowers of student loans?

Thank you most sincerely for reading this email.