

Macias, Wendy

112

From: [REDACTED]
Sent: Tuesday, June 16, 2009 12:07 PM
To: negreg09
Cc: [REDACTED]
Subject: student loans revisited

The federal guaranteed student loan system (federal and private student loans) has become predatory due to the removal of standard consumer protections by Congress. This system has been extremely lucrative for a few individuals at the expense of borrowers and their families. My son took out a private loan to finish his education and for three years it has been a nightmare. The company, Sallie Mae, will not lower the payment amount on his loan even though he is currently unemployed. He wants to pay on the loan but cannot afford 700.00 per month with an unemployment check as his income. The system is "bad government" at the extreme. It fails to encourage academic excellence and promotes delinquency and default. It is a lose/lose situation for the borrower/families and a win/win situation for the lenders and collection agencies. Congress has removed all bankruptcy protections, refinancing rights, statues of limitations, truth in lending requirements, fair debt collection practices for state agencies and removed state usury laws from applicability to student loans. In the interest of the future and past students, Congress must restore at the earliest opportunity the consumer protection that were removed.