

CBA Education Funding Report

A confidential, concise weekly update on developments affecting student loans prepared exclusively for CBA members involved in student loans.

October 24 2012

PRIORITIES

- Promote opportunities for the private sector to serve the education financing market.
- Promote fair and accurate information about private student loans and lenders.

LEGISLATION/CAPITOL HILL/POLITICS

- The House and Senate are in recess until after the 2012 elections.

AGENCIES/WHITE HOUSE

- The CFPB issued a report, "The Next Front: Student Loan Servicing and the Cost to Our Men and Women in Uniform. The report suggests servicemembers sometimes choose a less than optimal repayment option and may face difficulty in securing rate relief through the Servicemembers Civil Relief Act. See: http://files.consumerfinance.gov/f/201210_cfpb_servicemember-student-loan-servicing.pdf.
- The CFPB announced it is now taking complaints on Credit Bureau Reporting. See: <http://www.consumerfinance.gov/pressreleases/consumer-financial-protection-bureau-now-taking-complaints-on-credit-reporting/>
- The CFPB is holding a public hearing today on collection agency practices in Seattle. In advance of the hearing, the Bureau defined "larger participants" for debt collection and released an examination procedures manual. See: http://files.consumerfinance.gov/f/201210_cfpb_debt-collection-final-rule.pdf

STUDENT LOAN COMMUNITY

- The Institute for College Access & Success reports that students who borrowed for college and earned bachelor's degrees in 2011 graduated with an average \$26,600 in student loan debt, up from \$25,250 in 2010. See: http://ticas.org/files/pub//Release_SDR12_101812.pdf
- The College Board released the 2012 version of its "Trends" series. According to the report,

private loan volume for 2011-2012 was \$8.1 billion. See: <http://trends.collegeboard.org/>

- Michael Dannenberg, a former aide to the late Sen. Edward Kennedy and a critic of private student loan lenders has joined the Education Trust as its director of higher education policy and education finance.

CBA ACTIVITIES

- The CBA Ed Funding Committee will meet by telephone today at 11:00 a.m. eastern. The agenda includes guest presenters (John Peters of USEFC and Mike Sessa of PESC) as well as an update on the CFPB Ombudsman annual report.
- CBA is working on follow ups to issues raised in recent CFPB reports. The CBA team responded to press inquiries relating to the Ombudsman report and other private loan issues.
- CBA is working on the CBA LIVE agenda.

CALENDAR

- October 24 CBA Education Funding Committee conference call, Washington, DC.
- Nov. 6: Election day.
- Nov. 13: Congress reconvenes.
- March 10-13, 2013: CBA Live, Phoenix, AZ.

CBA STUDENT LOAN TEAM

Richard Hunt	(202) 552-6380	rhunt@cbanet.org
Steve Zeisel	(202) 552-6380	szeisel@cbanet.org
David Pommerehn	(202) 552-6380	dpommerehn@cbanet.org
Pace Bradshaw	(202) 552-6380	pradshaw@cbanet.org
Jeffrey Bloch	(202) 552-6380	jbloch@cbanet.org

AT CBA'S SPECIAL COUNSEL:

John Dean	(202) 289-3900	jdean@jdean-law.com
Harrison Wadsworth	(202) 289-3900	hwadsworth@wpllc.net
Wes Huffman	(202) 289-3900	whuffman@wpllc.net



CONSUMER
BANKERS
ASSOCIATION

© Consumer Bankers Association, 2011. Prepared for CBA by CBA Special Counsel.