

Statement Regarding CFPB and U.S. Department of Education MOU on Handling Student Loan Borrower Complaints

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Persis Yu, director of the National Consumer Law Center's Student Loan Borrower Assistance Project, released the following statement on yesterday's announcement of a Memorandum of Understanding (MOU) between the Consumer Financial Protection Bureau and the U.S. Department of Education on handling of complaints by student loan borrowers:

"Accepting complaints is a vital part of the Consumer Financial Protection Bureau's (CFPB) role in helping to police the \$1.6 trillion student loan market. It has been over two years since the Education Department under Secretary Betsy DeVos terminated its Memorandum of Understanding with the CFPB, which is statutorily mandated in Dodd Frank.

While it is important to have an MOU in place once again, an MOU alone is not sufficient to protect borrowers. Predatory and abusive practices remain rampant. With an MOU finally in place, we hope to see the CFPB step up its efforts to protect both federal and private student loan borrowers from predatory and abusive student lending, servicing, and debt collection practices."