



Alerts

Student Loan Servicing Regulations: 50 State Guide on Laws and Legislation - First Edition

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Hinshaw Alert

*** Update 9.17.2020: a new Fourth Edition is now available | [Download your copy of the guide \(PDF\)](#) |**

States are taking aggressive action to regulate student loan servicers through legislation. California, Connecticut, Illinois, and Washington, D.C. have passed comprehensive legislation to regulate the way student loans are serviced and to require licensure of student loan servicers.

Most recently, Illinois passed the most expansive regulation of student loan servicing on May 31, 2017. The Illinois legislation--pending approval by the Governor to become law--includes an extensive Student Bill of Rights regulating how loans must be serviced, the requirement that servicers be licensed before doing business in the state, establishment of an Ombudsman to handle borrower complaints, and empowerment of the Attorney General to bring suit for any violation. At least twelve other states considered similar legislation during the 2017 legislative session.

We have prepared a national guide – available for download above – that summarizes current state law and pending legislation regarding student loan servicing as of June 1, 2017, and designed to serve as a tool to assist in understanding the breadth of state regulations applicable to student loan servicers. The guide aims to inform student loan servicers of the regulations that have been enacted and are being aggressively pursued by many states.

Note, this guide does not contain legal advice or establish an attorney-client relationship, and we recommend review of the actual language and status of each law and piece of legislation as well as continued review on an ongoing case-by-case basis and consultation with counsel as appropriate to ensure compliance.

Attorneys

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Service Areas

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