

Macias, Wendy

From: [Redacted]
Sent: Thursday, June 18, 2009 6:56 PM
To: negreg09
Subject: audit of student loan organizations and consumer protection laws

Greetings,

I am a member of the Student Loan Justice Pac and was asked to make suggestions concerning student loans. I have 2 major ones. 1) Audit major lenders such as Sallie Mae, as I have experienced extreme "accounting irregularities" with them. and 2) Restore consumer protections, including the right to go bankrupt on student loans short of death as a hardship, and or forgive loans after twenty years of reasonable attempts at payment according to the person's salary, without a million loopholes vitiating the right. In support of said proposals, I want to share part of my story.

I graduated from law school in 1994, having borrowed about \$26,800, from banks through Baylor Law School (where the tuition was about \$6,000/yr.). I told them that my undergraduate loans were paid off, but the financial aid advisor said I had to list them anyway, and they would "double-check". I heard nothing more. According to my canceled checks, over the next ten years, I paid to Sallie Mae and its minions about \$70,000. In part I paid that much due to violations of the Fair Debt Collection Practices Act. According to the US Dept. of Education calculator, I should have repaid \$39,000 on a \$26,800 loan. I got cancer and had a kidney stone operation in the same year and lost my job. I went bankrupt and tried for a hardship discharge, as well as producing proof that I had paid Sallie Mae about \$70,000 on a \$26,800 loan over a 10 yr. period. The Court said that canceled checks weren't proof of payment, but Sallie Mae admitted in court receiving \$55,000 from me...still well over the \$39,000 owed. The court refused to find hardship, although I'd only earned \$10,000 and \$13,000 the years before and was earning \$10,000 a year at the time of the bankruptcy, and found I still owed "whatever Sallie Mae claims you owe". (I am my sole support). The Court also refused to consider my promissory notes for \$26,800, as Sallie Mae claimed that I borrowed over \$41,000, but refused to give an accounting in court of that amount or produce any promissory notes. The guarantor, after 5 years of fighting has recently produced the promissory notes totaling...guess what...\$26,800. They admitted that all of the notes were from from time in law school and not for any prior education. The guarantor also garnished my \$1500 tax return and is waiting with baited breath to granish any wages I receive, if I am ever employed again. I have no future and little to work or survive as a lifelong slave of Sallie Mae. They refuse to admit that they have over collected, and continue to collect and collect, and will collect until the day I die on a loan already paid off.

Making them produce payment records, bank statements and promissory notes and seeing how much more they collect than they should, and how many different bank accounts and addresses and names they use could uncover a large fraud perpetrated against the students of this nation, ruining their careers before they even get started.

Thanks,
[Redacted]

Lauren found her dream laptop. [Find the PC that's right for you.](#)