



BORROWERS IN CRISIS
STUDENT DEBT IN WASHINGTON

WASHINGTON STATE ATTORNEY GENERAL'S OFFICE



DECEMBER 2017

Dear Washingtonians:

This student loan report presents a picture of Washington's student loan borrowers, and provides comparisons to national trends. I hope this report will help policy makers understand the magnitude of the impact of student debt on individuals, families, and communities in Washington.

As Attorney General, protecting consumers is one of my top priorities. In recent years, my office has received hundreds of complaints from student loan borrowers. These complaints make it clear that student loan borrowers need accurate information about their options for managing their debt, and are vulnerable to deceptive, unfair, and unlawful practices.

In my role as a consumer watchdog, my office has taken action to protect student loan borrowers, including:

- **Filing a lawsuit against the nation's largest student loan servicer for failing to uphold their obligations to borrowers;**
- **Bringing action against businesses who illegally profit from struggling student loan borrowers, resulting in more than \$1.5 million returned to consumers;**
- **Publishing a Student Loan Survival Guide, providing accurate information and resources for students and their families at every stage of borrowing;**
- **Working with the Legislature to pass legislation to provide borrowers more information about their loans while they are in school and to ensure that servicers are held accountable when working with borrowers in Washington; and**
- **Fighting for relief for students defrauded by their schools.**

Still more must be done.

Too many borrowers in Washington are struggling to make payments. And too many of those making payments are unable to make real progress reducing their student loan debt. Understanding student loan borrowers and how student loans affect individuals, their families and communities can help policy makers meaningfully assist borrowers. Pursuing a higher education should be a path to a better life, not a roadblock and a lifetime of debt and financial hardship.

Testimony from student loan borrowers, excerpted from consumer complaints made to my office, are included throughout this report to highlight the personal impact these loans have on individuals.

I hope you find this helpful.

Sincerely,
Bob



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Executive Summary



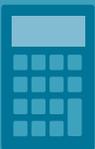
The number of student loan borrowers and total amount of outstanding student loan debt in Washington and nationally have risen significantly over the past decade and continue to rise.



A significant number of Washingtonians struggle with student loan debt, although by many measures borrowers in Washington are doing better than the national average.



Student loans affect every demographic, but the effect is more acute for some, such as those who attended for-profit schools, those who did not complete their programs, and borrowers of color.



Policy makers can do more to assist borrowers by enhancing consumer protections, establishing a student loan advocate, and limiting the amount of income that can be garnished to repay student loan debt.

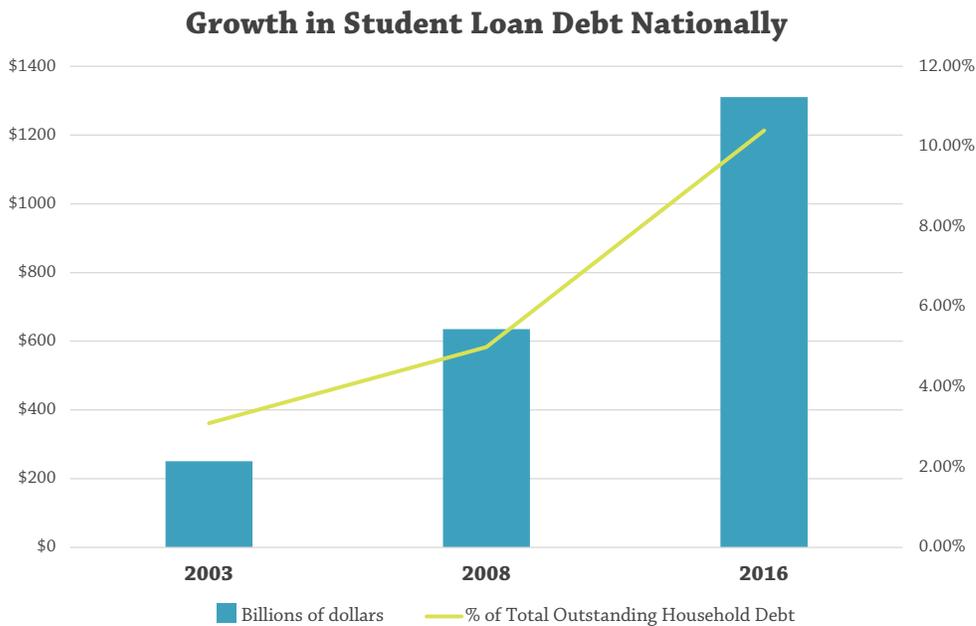
“If I knew then, what I know now, I would have NEVER taken out a student loan. It is inexcusable that anyone should be driven into a lifetime of financial hardship in the name of trying to better themselves.”¹ -Therese, Lynden

Growth of Student Loan Debt

Student Loan Debt Nationally

In 2004, 22.5 million Americans had outstanding student loan debt, totaling \$260 billion.² By 2016, 43 million student loan borrowers collectively owed \$1.34 trillion.³

Student loan debt grew during the recession, while all other types of consumer debt declined.⁴ In 2010, student loan debt surpassed credit card debt to become the largest category of outstanding non-housing household debt.⁵ Americans now owe more in student loan debt than they do in credit card debt or auto loan debt, and the balance continues to rise.⁶



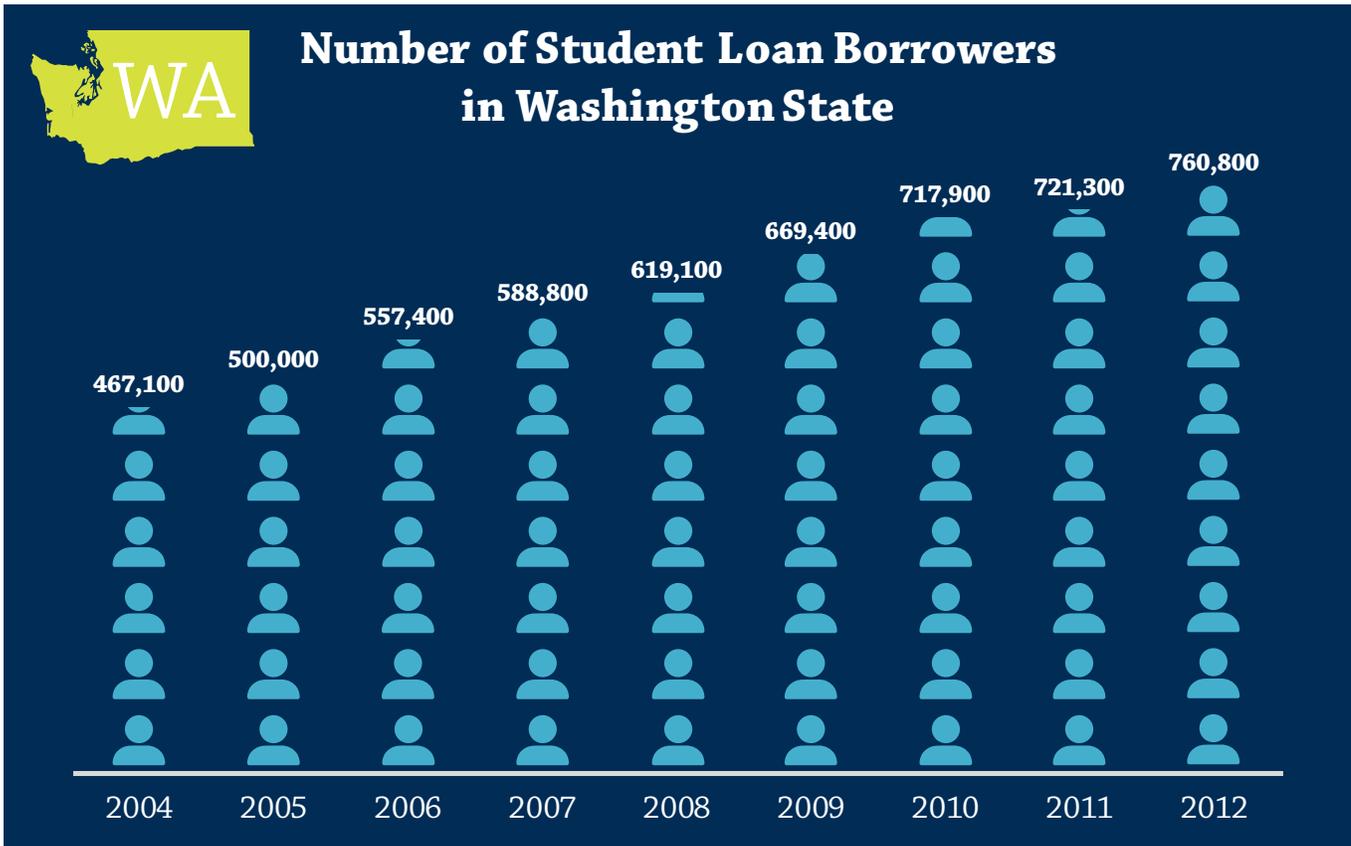
Source: New York Fed Consumer Credit Panel/Equifax

Student Loan Debt in Washington

At the end of 2016
Washingtonians
collectively owed
\$24.4 billion
in student loan debt.⁷



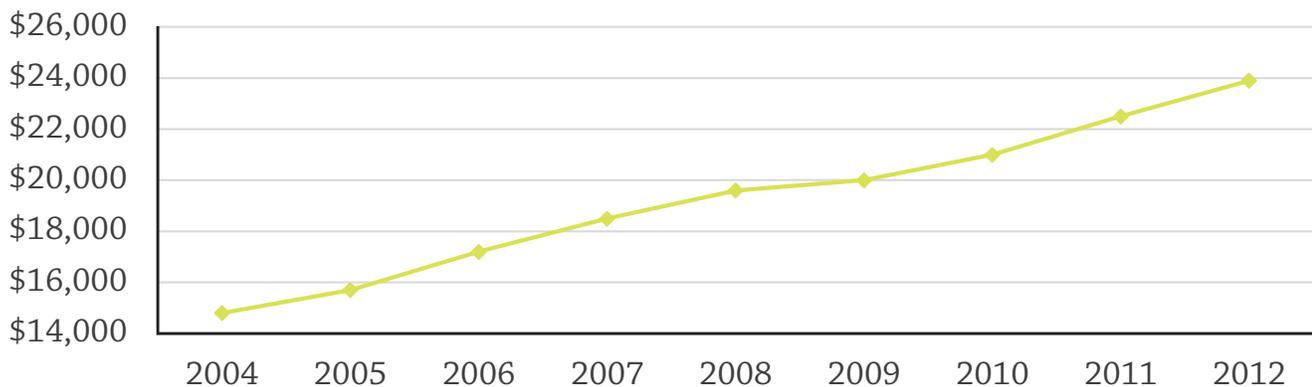
The chart below illustrates that the estimated number of Washingtonians with student loans increased by nearly 300,000 between 2004 and 2012.⁸ At the end of 2012, the most recent estimate available, there were 761,000 student loan borrowers in Washington.⁹ This number has likely surpassed 800,000 borrowers.



Source: FRBNY Consumer Credit Panel/Equifax

Between 2004 and 2012, the average student loan debt, including federal and private loans, for each Washington borrower increased nearly \$10,000 from \$14,800 to \$23,900.¹⁰

Average Student Debt Balance Per Borrower in Washington



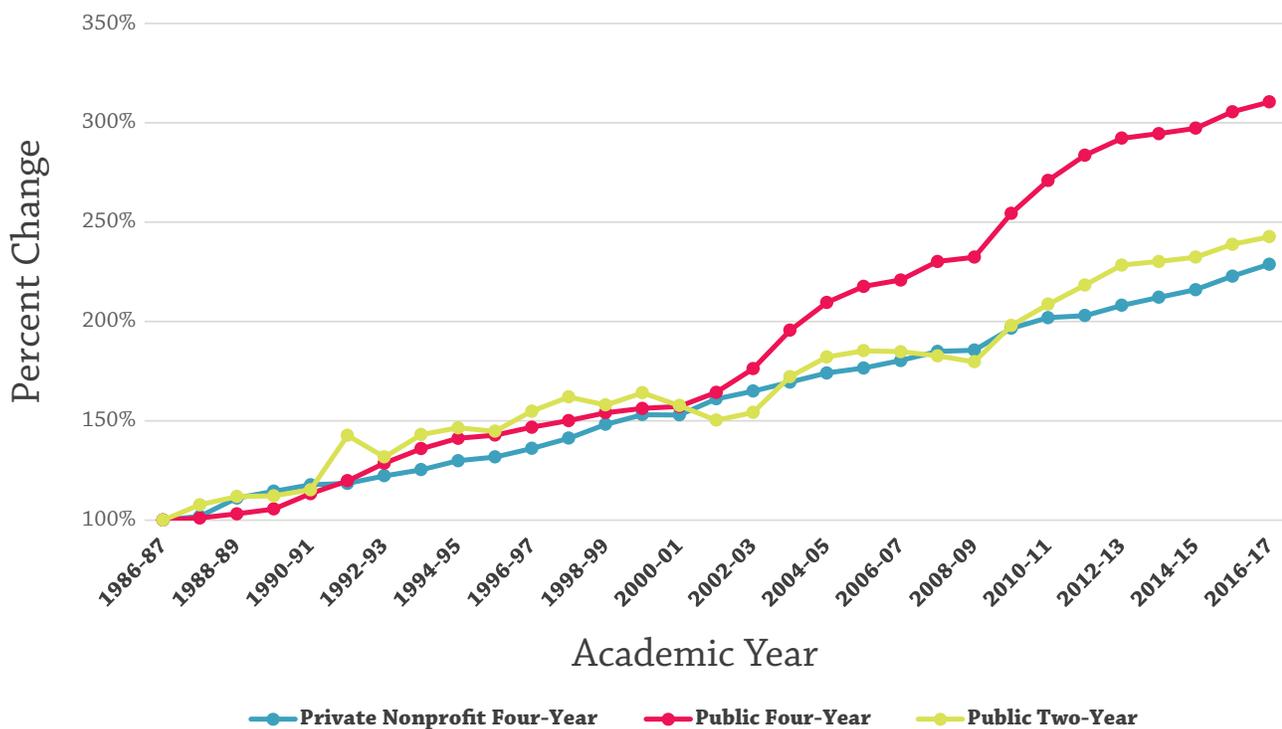
Source: FRBNY Consumer Credit Panel/Equifax

Factors Driving the Growth of Student Loan Debt

Increase in the Cost of Higher Education

As shown in the chart below, over the past thirty years, costs at public four-year schools have more than tripled.¹¹ The cost of tuition and fees at private nonprofit four-year and public two-year schools has more than doubled.¹² Average household incomes have not kept pace. As a consequence, students and families borrow more to pay for school and then struggle to repay. A Federal Reserve Report found that: “as college costs increase, American students do not forgo education, but instead amass more debt.”¹³

Published Tuition and Fees Relative to 1986-87, Adjusted for Inflation



Source: College Board, Annual Survey of Colleges

Decline in State Investment in Higher Education

Washington state reduced higher education spending per student by 37.5% between Fiscal Year 2008 and Fiscal Year 2013, according to analysis by the Center on Budget and Policy Priorities.¹⁴ Over the same time period, tuition increased 63.6% at Washington’s public four-year colleges.¹⁵ According to the National Center for Education Statistics, nationally, tuition and fees for in-state public universities increased by over 400% between 1984 and 2014.¹⁶ As noted above, students have adjusted to these tuition increases by accruing more student loan debt.

More Students Attending For-Profit Schools

Between 2000 and 2011, enrollment at for-profit colleges increased by more than 300%.¹⁷ This significantly outpaced growth other higher education sectors. The proportion of all undergraduate student enrollment at private for-profit schools increased from 3% in 2000 to 10% in 2010.¹⁸

In 2016, 436 for-profit career colleges and degree-granting institutions operated in Washington, enrolling 48,600 students.¹⁹ These schools accounted for 12% of postsecondary enrollment in the state.²⁰

According to a 2012 report by the U.S. Senate Health, Education, Labor and Pensions Committee: “96 percent of students attending for-profit colleges took out student loans, compared to 13 percent at community colleges, 48 percent at 4-year public, and 57 percent at 4-year private non-profit colleges.”²¹ The report also notes that these students generally borrow more: “The average independent student, who represents most of the for-profit student body, graduated with a median debt of \$32,700, compared to a median debt of \$20,000 of independent students at public colleges, and \$24,600 at private non-profit colleges.”²²

In the late 2000s, for-profit college students, who generally incur more student debt than their peers in the private nonprofit and public sectors, “...grew to represent almost half of all new borrowers.”²³ These students are more likely to be from low-income areas, disadvantaged backgrounds, and struggle with unemployment after leaving school.

Lawsuits and investigations have revealed that for-profit schools, such as the now-defunct Corinthian Colleges and ITT Technical Institute, targeted vulnerable individuals, burdening them with student loans, often without the promised job prospects.²⁴

“I enrolled in [my school] due to being lied to about graduation rates, salary expectations and assistance finding a job, as well as the quality of education I would receive.”²⁵ -Nicole, Kent

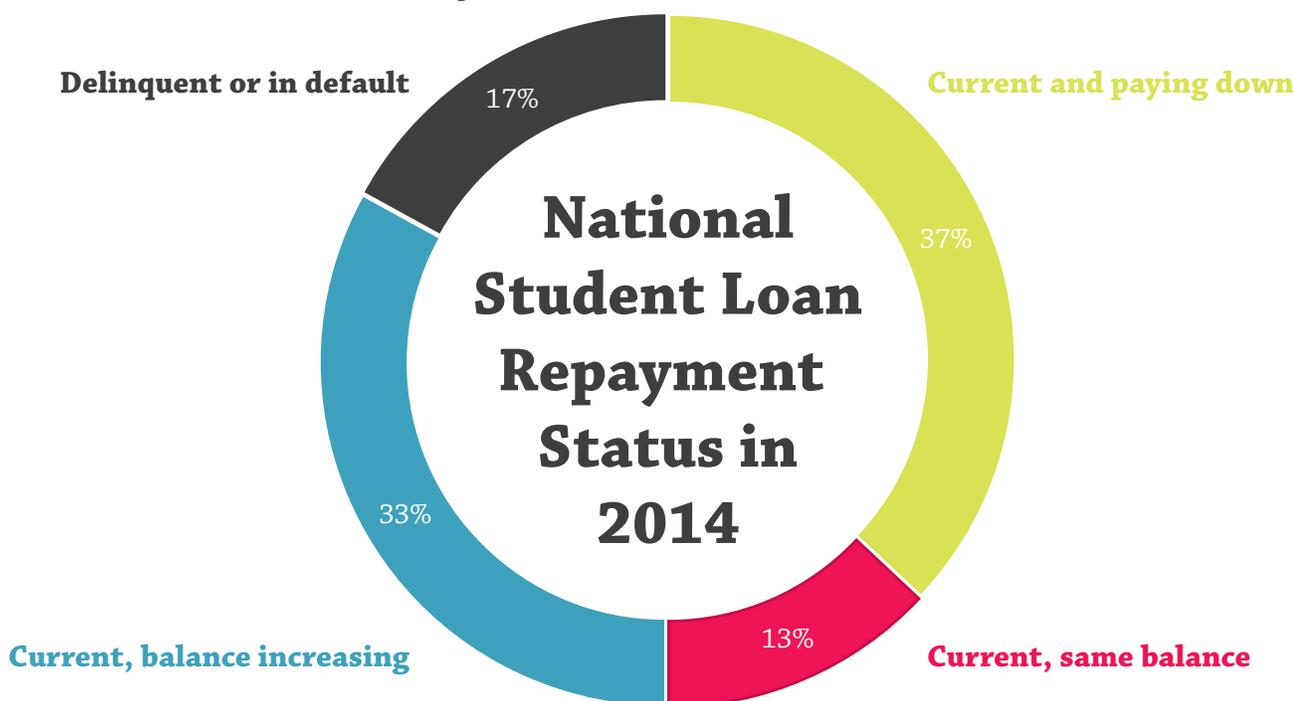
Impact on Borrowers

63% of Borrowers are Not Making Progress Reducing Their Debt

Borrowers can delay making payments and avoid delinquency and default through forbearance or deferment. For most borrowers who utilize these options, interest continues to accrue even though repayment is delayed. When the borrower enters repayment, the accumulated interest is generally added to the principal balance of the loan—this is called capitalization. This creates an even larger burden for the borrower.

Other borrowers, particularly those enrolled in income-based repayment plans, which limit monthly payment amounts to a percentage of a borrower's discretionary income, can see their balance remain the same or increase although they are making regular payments.

The chart below illustrates that nationally, as of 2014, only 37% of student loan balances were actually being paid down.²⁶ The remaining 63% of loan balances were constant or increasing, and 17% of those balances were delinquent or in default.



Source: New York Fed Consumer Credit Panel/Equifax

“I have had student loans since 1998...The balance is not going down and...I feel like I am never going to be able to pay off my student loans...If I never went into forbearance several times, I would not have incurred this much interest...All I am doing is paying interest that continues to grow year after year.”²⁷ -LaToya, Puyallup

For many borrowers, student loan debt impacts the decision to marry, buy a home, have children, or save for retirement. According to a 2011 study by Pew, among student loan borrowers, 48% said that paying off student debt made it harder to pay other bills, 25% said it has made it harder to buy a home, and 24% said it has had an impact on their career choices.²⁸

According to a 2015 survey of student loan borrowers by American Student Assistance:²⁹



35% of student loan borrowers said they found it difficult to buy daily necessities because of their student loans;



53% responded that student loan debt was the deciding factor, or had considerable impact, on their choice of career field;



52% said their debt affected their ability to make larger purchases such as a car;



21% indicated that they have put off marriage as a result of their student loans;



28% said that student debt has delayed their decision to start a family;



55% indicated that student loan debt affected their decision or ability to purchase a home;



62% said they have put off saving for retirement or other investments; and



Of those interested in starting a small business, 61% indicated that student loan debt impacted their ability to do so.

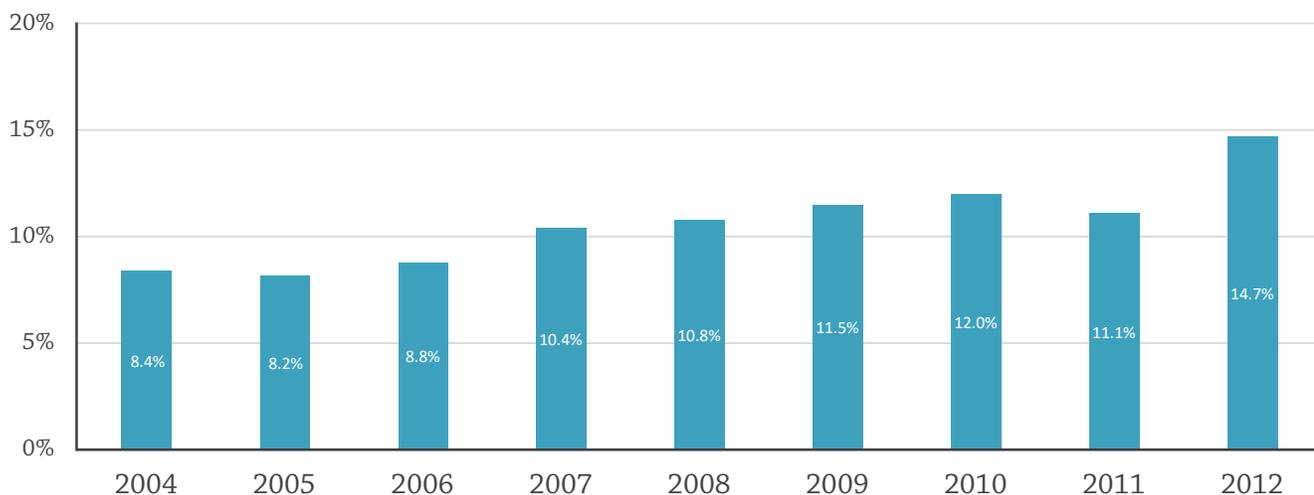
“My situation, like so many others, seems hopeless and endless in dealing with [my servicer]. Over the years, I have attempted to repay student loan debt only to find myself with more fines, more interest, and rising monthly payments beyond my ability to meet....My credit has been destroyed, and financially I survive month to month.”³⁰ -Jay, Omak

Many Washingtonians Struggle With Student Loan Debt

The proportion of Washington borrowers who are 90 days or more behind on their student loan payments nearly doubled between 2004 and 2012, as illustrated in the chart below.³¹ In 2012, nearly 112,000 Washingtonians were significantly behind on their student loan payments. This includes both federal and private loans.



Proportion of Washington Student Loan Borrowers with 90+ Days Past Due Accounts



Source: FRBNY Consumer Credit Panel/Equifax

Nationally, student loans have the highest delinquency rates of any form of household debt. A larger percentage of borrowers are behind on their student loan payments than on car payments, credit cards, or mortgage debt.³²

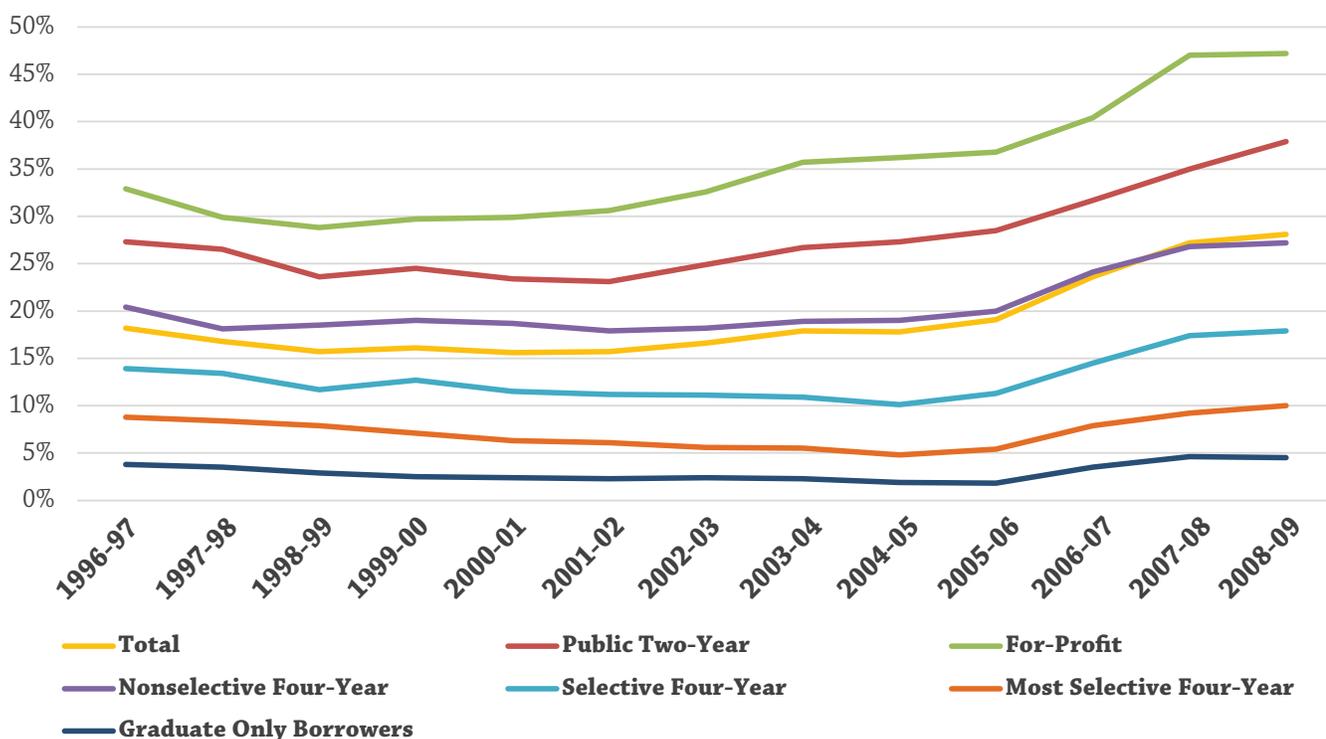
If you are struggling with student loan payments or have questions, you should first contact your student loan servicer. Additional resources are listed at the end of this report, and can be found in the Washington Attorney General's Office Student Loan Survival Guide at: www.atg.wa.gov/studentloanresources.

A Closer Look at Borrowers & Outcomes

Borrowers who Attended For-Profit Schools Have the Highest Default Rates

Students who attend for-profit institutions are more likely to have lower average earnings, experience stagnant wages, and be unemployed when compared to those who attend selective four-year public and private institutions.³³ Students enrolled in for-profit schools are disproportionately women, people of color, low-income students, and members and former members of the U.S. military.³⁴ For-profit institutions attract students and their student loan dollars using targeted advertising campaigns and high-pressure tactics, but these students generally have worse outcomes than students at other schools.³⁵ As the graph below illustrates, borrowers who attended for-profit colleges default on their loans at a higher rate than other students.³⁶

Five-Year Federal Student Loan Default Rates by Institution Type, Borrowers Entering Repayment 1996-97 to 2008-09

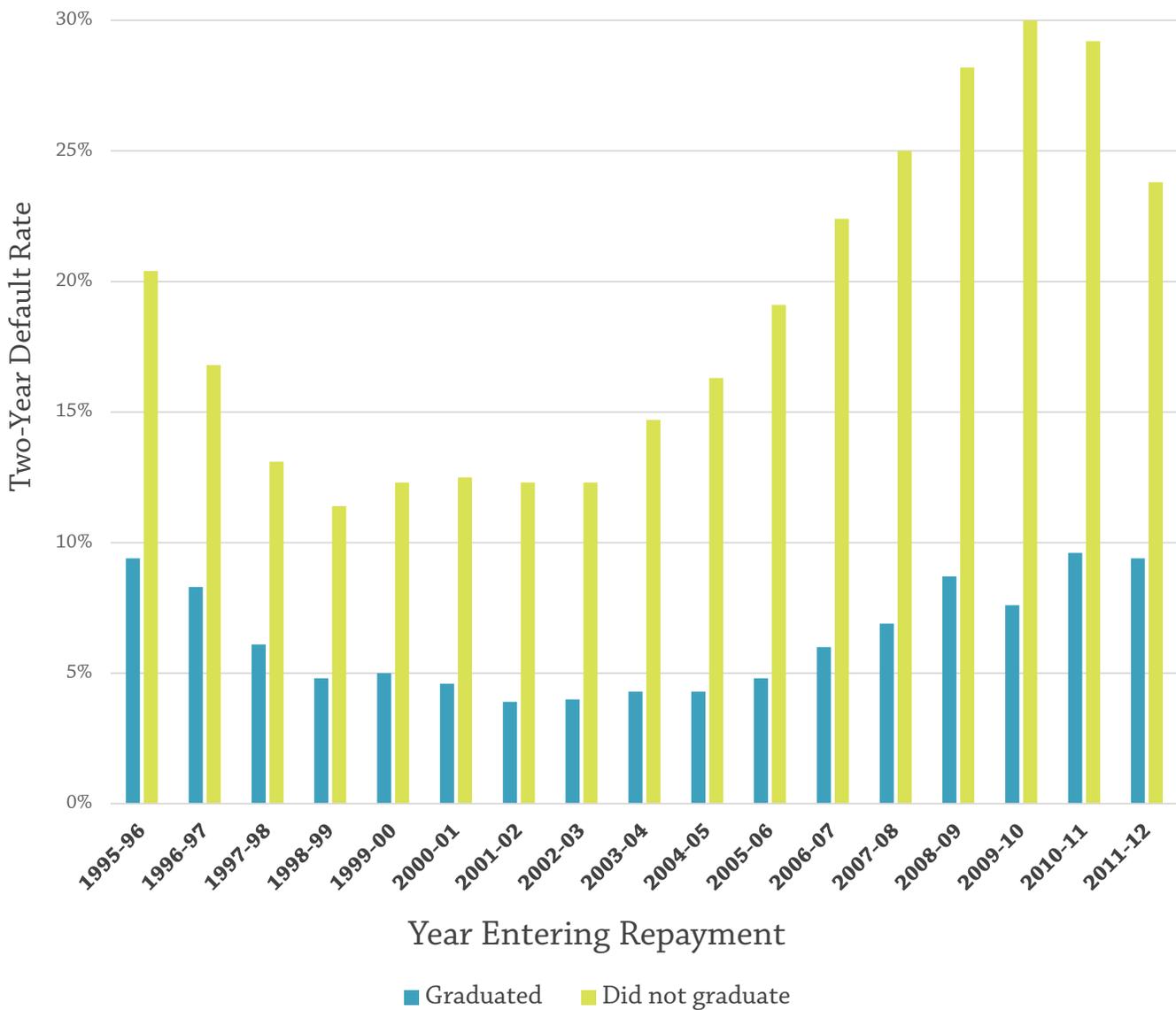


Source: Adam Looney and Constantine Yannelis (2015), *A Crisis in Student Loans? How Changes in the Characteristics of Borrowers and in the Institutions They Attended Contributed to Rising Loan Defaults*, Brookings Papers on Economics Activities; accessed from College Board 2015 Trends in Higher Education.

Borrowers who Did Not Complete Their Program of Study Have Significantly Higher Default Rates

Student loan repayment and default are closely tied to whether a student completes their program of study, as the chart below illustrates.³⁷ Students who attend for-profit schools have significantly lower completion rates than borrowers who attend four-year public and private schools.³⁸ As shown on the previous page, default rates are highest for these borrowers.

Rate of Borrowers in Default Within Two Years of Entering Repayment by Degree Completion Status

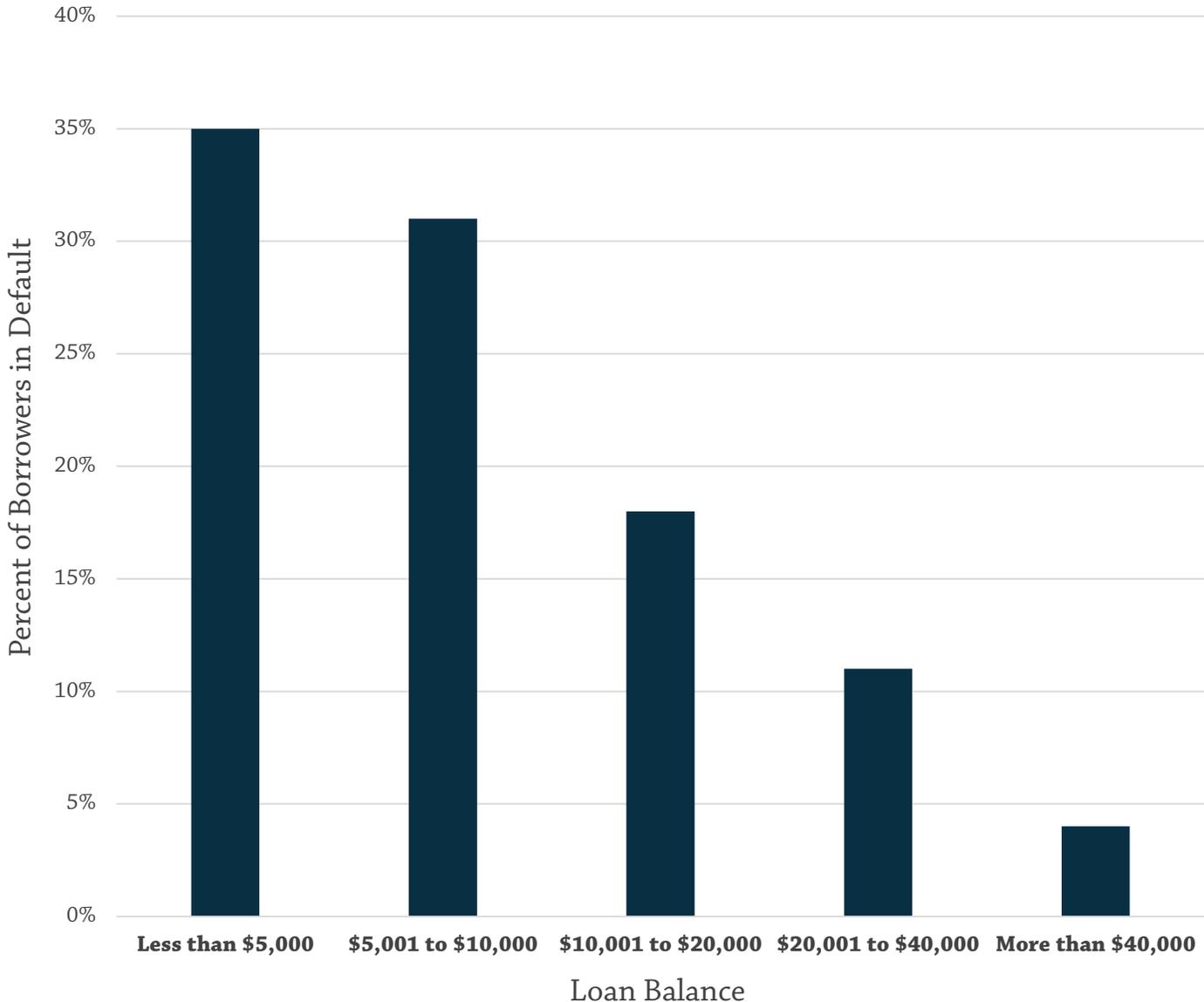


Source: U.S. Department of Treasury calculations based on sample data from the National Student Loan Data System; accessed from College Board 2015 Trends in Higher Education.

Borrowers With the Lowest Amounts of Debt Default at the Highest Rates

Student loan default rates are highest for borrowers with the lowest balances, as illustrated below.³⁹ Students with larger loan balances typically have higher levels of education, and corresponding higher incomes, and thus have less trouble making payments.⁴⁰

Default Rate Among Borrowers Entering Repayment in 2010-11 by Loan Balance



Source: Council of Economic Advisors (2016), *Investing in Higher Education: Benefits, Challenges, and the State of Student Debt*, Figure 27; accessed from College Board 2015 Trends in Higher Education.

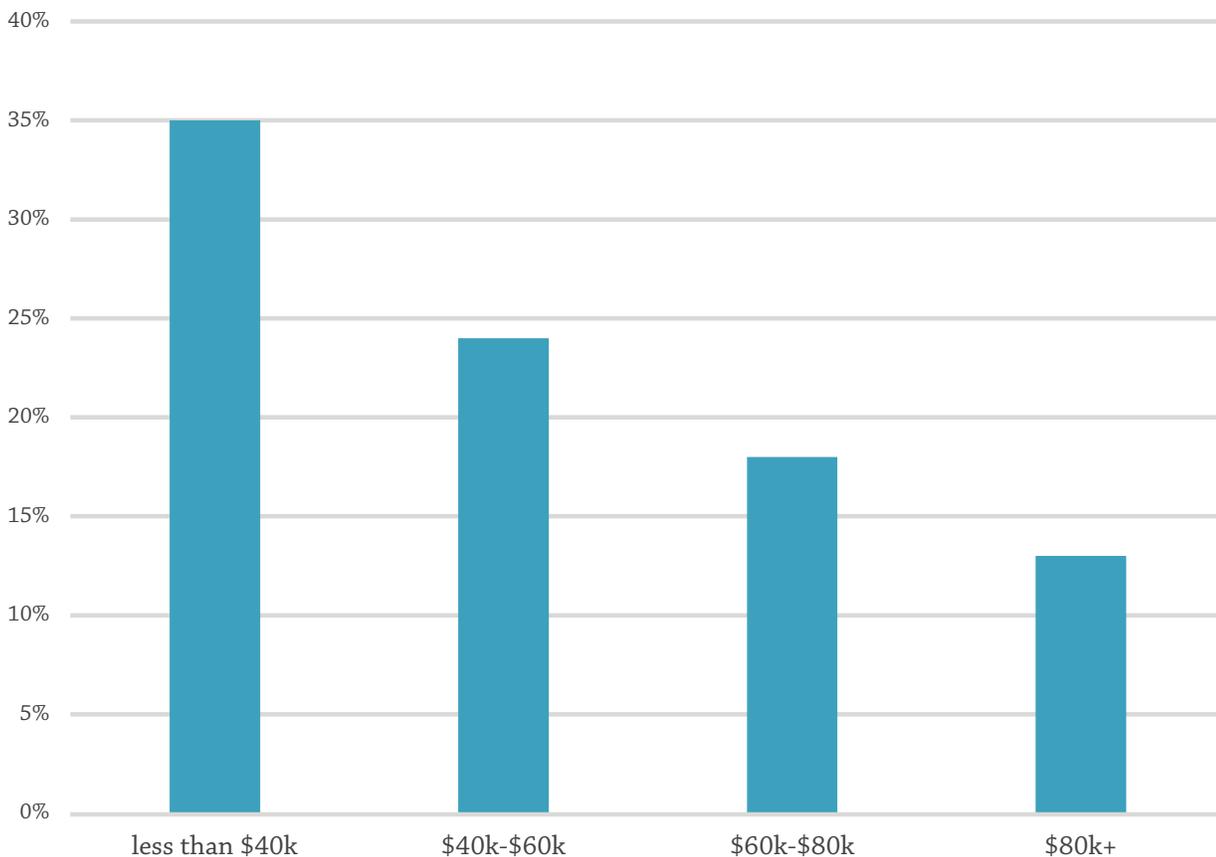
Borrowers From Low-Income Backgrounds Borrow and Default at Higher Rates

Students from low-income families are more likely to need student loans to pay for education than students from higher-income backgrounds. Many low-income students are eligible to receive a Pell Grant, the federal grant for undergraduate education. A larger percentage of Pell Grant recipients need to borrow to cover educational costs than non-Pell Grant recipients, as illustrated in the chart below.⁴¹

	Pell Grant Recipients with Debt	Non-Pell Grant Recipients with Debt
Associate's Degree Recipients	55%	28%
Attended 4-year Public Institutions	84%	46%
Attended 4-year Private Non-profit Institutions	91%	60%

In addition to being more likely to have student loan debt, borrowers from low-income backgrounds are also more likely to have difficulty repaying their loans. Default rates are significantly higher for borrowers from lower-income areas than those from wealthier areas, as illustrated in the graph below.⁴²

5 Year Default Rate by Average Income in Borrower Zip Code (2006-2011 cohorts)

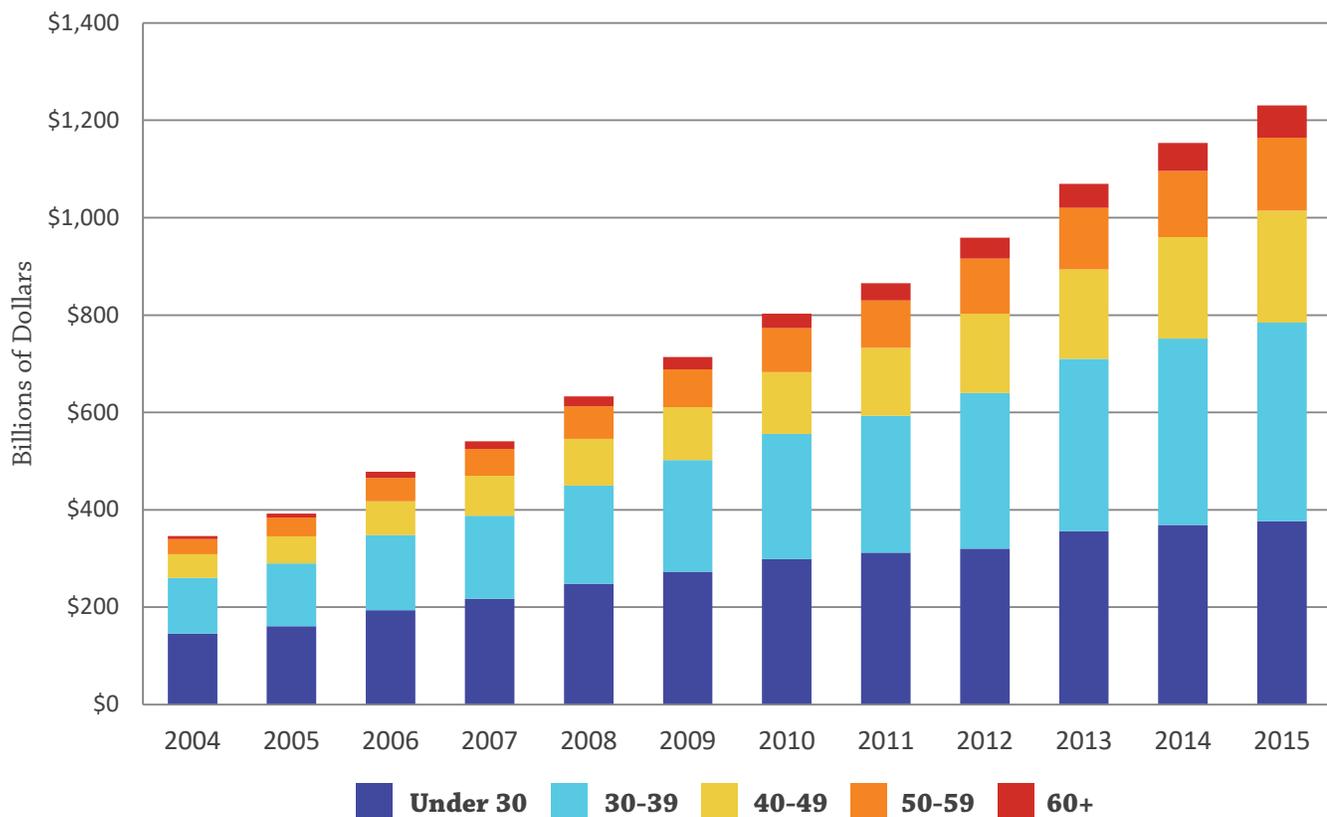


Source: New York Fed Consumer Credit Panel/Equifax, Internal Revenue Service

Student Debt Impacts All Age Groups

As the graph below illustrates, student loan balances have consistently increased across every age group.⁴³ As of 2015, borrowers age 30-39 have the largest share of outstanding student loan debt.⁴⁴ Over the past decade, borrowers over the age of 60 comprised the fastest growing age group of student loan borrowers.⁴⁵

Total Student Loan Balance by Age Group



Source: New York Fed Consumer Credit Panel/Equifax

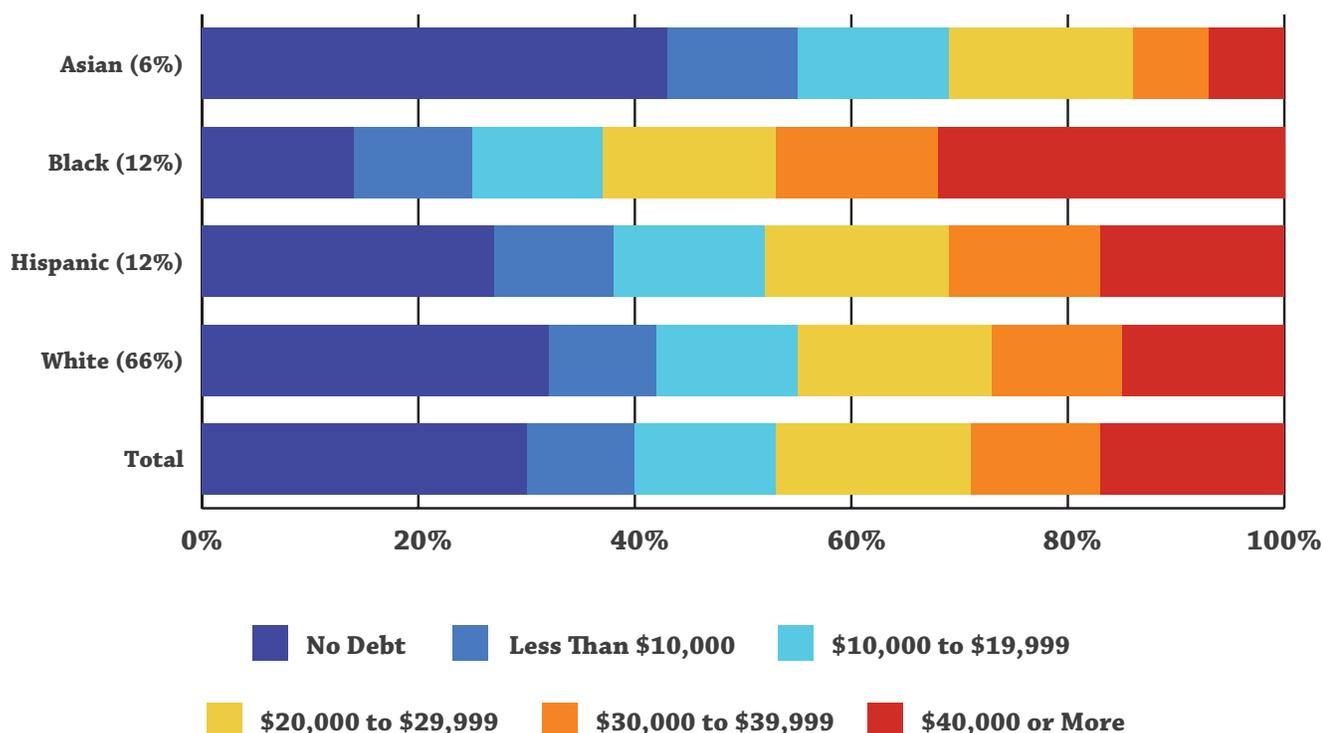
In August 2017, the Consumer Financial Protection Bureau released a report quantifying the increase in student loan debt held by borrowers over age 60 in each state. The data below is for borrowers in Washington:⁴⁶

	2012	2017
Number of borrowers age 60 and older	50,448	68,544
Median student debt balance per borrower for borrowers age 60 and older	\$11,915	\$18,149
Total student debt balance for borrowers age 60 and older	\$1,222,441,000	\$2,056,024,000
Portion of borrowers age 60 and over in delinquency on student loans	7%	12%
Number of borrowers age 60 and older in delinquency on student loans	3,696	8,352

Significant Racial Disparities Exist in Student Loan Borrowing & Repayment

As of 2012, 86% of black college graduates, 73% of Hispanic college graduates, 68% of white college graduates, and 57% of Asian college graduates had student debt upon graduation.⁴⁷ In addition, there are significant disparities in the amount of debt accrued by borrowers of different racial groups at the time of graduation, as illustrated in the chart below.⁴⁸

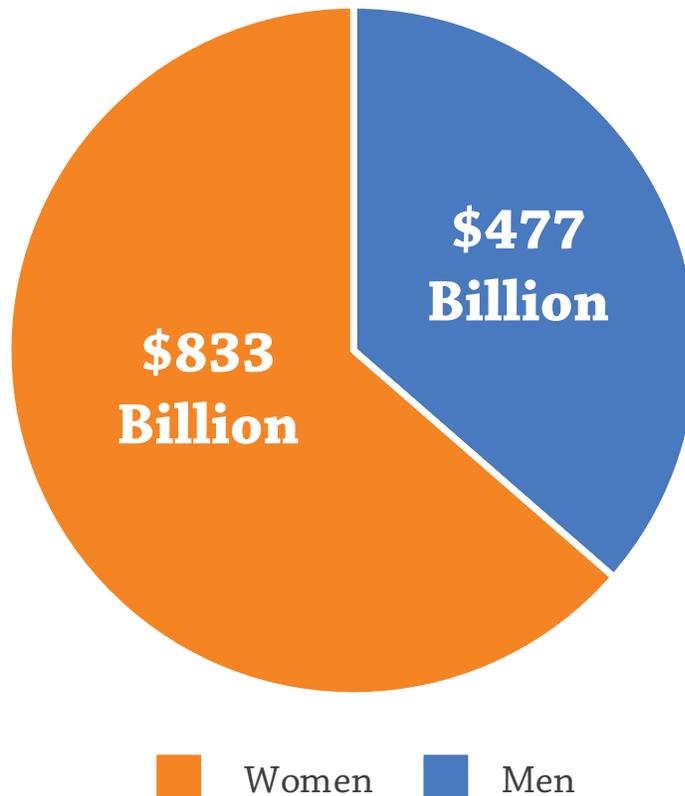
Debt of 2011-2012 Bachelor's Degree Recipients by Race/Ethnicity



Source: NCES, National Postsecondary Student Aid Study, 2012; PowerStats calculations by authors of College Board 2015 Trends in Higher Education.

These disparities worsen in repayment. According to a report by the Brookings Institution, on average black graduates leave school with about \$7,400 more debt than white graduates, and four years later have nearly \$25,000 more student loan debt.⁴⁹ Their report also notes: “black college graduates are still substantially more likely to default on their debt within four years of graduation (7.6 percent versus 2.4 percent of white graduates). And nearly half of black graduates (48 percent) owe more on their federal undergraduate loans after four years than they did at graduation, compared to just 17 percent of white graduates.”⁵⁰ The report also notes that “Hispanic borrowers, despite having about the same level of debt as white graduates, are more than twice as likely to default (5.7 percent versus 2.4 percent).”⁵¹

Outstanding Student Loan Debt by Gender



Source: “Deeper in Debt: Women and Student Loans,” AAUW, May 2017, p. 36.

A recent report from the American Association of University Women (AAUW) notes that nearly two-thirds of outstanding student loan debt nationally is held by women.⁵² This may be due in part to the fact that women attend college in greater numbers than men and to the gender pay gap, which reduces disposable income and lengthens repayment time.⁵³

The AAUW report notes that women pay off their debt more slowly, and that: “Difficulty repaying student loans is also reflected in default rates, which are higher for women than for men, and much higher for black and Hispanic borrowers than for white and Asian borrowers... Women—especially women of color—are most likely to experience difficulties, 34 percent of all women and 57 percent of black women who were repaying student loans reported that they had been unable to meet essential expenses within the past year.”⁵⁴

In September 2017, the Institute for Women’s Policy Research released a report showing that single mothers are overrepresented at for-profit schools. According to the report: “At for-profit institutions, single mothers account for 26 percent of the student body, yet they are only 11 percent of all undergraduate students.”⁵⁵ The report also notes: “Single mothers have disproportionately high loan default rates; attending a for-profit institution increases their financial risk.”⁵⁶

Causes of Difficulty for Borrowers

Unlawful Actions by Student Loan Servicers Have Harmed Borrowers

A student loan servicer is a company that handles a borrower's loan, including sending bills, processing payments, answering inquiries, and changing payment plans. In 2017, the federal Consumer Financial Protection Bureau (CFPB) and several state attorneys general, including Washington Attorney General Ferguson, took legal action against student loan servicers for violations of consumer protection laws. Additionally, reports by the CFPB have revealed consistent consumer complaints about servicers' failure to provide borrowers information they are entitled

“[My servicer] has pushed me into forbearance several times throughout the life of my loans with them without a complete understanding of my other options (income driven repayment plans) while my interest continued to accrue.”⁵⁸ -Nicole, Kent

Predatory Schools and Scams for Assistance

As this report shows, students who attend for-profit schools generally leave school with significantly higher loan balances, are more likely to leave school before completing their program, and are more likely to default on their student loans. As demonstrated by the U.S. Department of Education's findings of fraud against Corinthian Colleges, these schools sometimes engage in predatory behaviors to recruit students who need to borrow large amounts of student loans to pay for tuition and are unlikely to successfully repay their loans after leaving school.⁵⁹

Additionally, there are entities seeking to make a profit by illegally preying on vulnerable borrowers in need of assistance. Legal actions in Washington and other states have stopped more than two dozen of these entities, but they are a consistent threat to borrowers. These entities often do not help borrowers enroll in more affordable repayment programs or apply for any appropriate discharge programs, and frequently leave borrowers worse off.

“Since paying an initial fee...I have been making monthly payments...of \$39 for what appears to be no service. They have not checked with me at least yearly regarding my status, provided no mention of possible forbearance or forgiveness of loan based on my financial status, and in fact only asked me to update my information with them after I asked them if I could cancel the “service” they’re providing.”⁶⁰
-Martha, Tacoma

Impact of Student Loan Debt Is Not Well Understood

The steep increase in the cost of higher education, and increases in the number of students pursuing higher education have meant that outstanding student loan debt has grown substantially. The implications of student loan debt and default for individual borrowers and the economy more broadly are not well understood, but recent research suggests that the effects of student loan debt may be far-reaching.

In July 2017, the Federal Reserve released a report that found “...the increase in the cost of college and student debt that our sample cohorts experienced from 2001 to 2009 is able to explain around 11% to 35% of the measured 7.7 percentage point drop in the rate of age 28 to 30 homeownership in the U.S. from 2007 to 2015.”⁶¹ This is important because “homeownership represents an important means of wealth accumulation, with housing equity being the principal form of wealth for most households. States that increase the cost of education therefore may pay a price not in the form of declining workforce skill, but instead through muted housing-related spending and lower wealth accumulation among younger consumers in the years to come.”⁶²

In 2017, the Washington State Legislature passed two bills that will help students understand the implications of their debt:

- The Student Loan Transparency Act, sponsored by Representative Tina Orwall and Senator Barbara Bailey and requested by the Attorney General, requires that student loan borrowers are given information about their loans, including estimated monthly payments, each time they take out new loans.⁶³
- A bill sponsored by Senator Barbara Bailey requiring higher education institutions to provide, and incoming students to attend, a live financial education workshop.⁶⁴ The workshop must include information about student loan options with an emphasis on repayment obligations, including the likely consequences of default and sample monthly repayment amounts.

“I only wish to make timely student loan payments online without spending hours each month talking to phone representatives who are accusatory and generally unhelpful with technical glitches.”⁶⁵ -Alex, Everett

Recommendations

- **Ensure that Student Loan Servicers Play by the Rules**

Legal actions by federal and state regulators and consumer complaints to the Attorney General's Office highlight that student loan borrowers lack adequate protections and certainty in their interactions with student loan servicers. Connecticut, California, Illinois and Washington D.C. have passed Student Loan Bills of Rights to regulate servicers at the state level.

A Student Loan Bill of Rights introduced in the Washington State Legislature by Senator Marko Liias and Representative Monica Stonier at the request of Attorney General Bob Ferguson increases consumer protections for borrowers. The bill allows the Department of Financial Institutions and Attorney General's Office to investigate and enforce state law to ensure that servicers abide by basic servicing standards. The bill provides students basic guarantees, including the assurance:

- Their payments must be credited within one business day,
- Their requests for information will be responded to promptly, in writing, and a record of the communication will be kept,
- They will receive notification when a loan is transferred between servicers, and
- Fees assessed due to servicer error will be refunded.

- **Establish a Student Loan Advocate to Assist Borrowers in Need**

Consumer complaints received by the Washington Attorney General's Office indicate that many borrowers are not receiving the information they need from their servicers. There are hundreds of thousands of student loan borrowers in Washington. A dedicated advocate is a much needed resource for these borrowers.

The Student Loan Bill of Rights legislation includes the creation of a student loan advocate position at the Washington Student Achievement Council. This position will:

- Provide information to borrowers,
- Take complaints from borrowers,
- Coordinate with the Attorney General's Office and Department of Financial Institutions to address complaints, and
- Report to policy makers about policy changes that will benefit student loan borrowers.

“Now, I’m more scared than ever for my ability to survive financially, especially after the recent phone calls and letters I’ve since received on account of my loans, loans for a school that defrauded me and other students.”²⁷ -Chaya, Bothell

- **Limit the Amount of Income that Can be Garnished to Repay Student Loan Debt**

In debt collection actions, including for defaulted student loan debt, Washington law protects only 75% of wages and \$500 of funds in a bank account. Borrowers should be protected from losing all of their savings, and should be able to retain a sufficient amount of income to cover basic costs such as rent.

A bill introduced in the Washington State Legislature by Representative Tina Orwall, the Student Opportunity, Assistance, and Relief Act would increase the amount of wages protected from garnishment to 85% and the amount of funds in a bank account protected to \$2,500 when the garnishment is for private student loan debt. These changes will allow borrowers who default to make payments on their other obligations and pay for basic necessities.

- **Address College Affordability to Reduce Student Loan Borrowing in the Long-Term**

As this report notes, the cost of higher education has increased significantly over the past 30 years. The report also highlights that as the cost of higher education increases, students change their behavior by borrowing more rather than forgoing education.

In 2015, the Washington State Legislature reduced tuition at public institutions by between 5 and 20% in the 2015-2017 biennium.⁶⁶ In 2017, the Legislature added \$12 million in funding to the State Need Grant, allowing 875 additional eligible students to benefit from the grant during the 2017-2019 biennium.⁶⁷ Both of these changes are meaningful steps toward increased affordability for students, but more must be done to curtail student loan borrowing. The Legislature should examine other options for making college more affordable, including free community college. The Student Loan Bill of Rights includes a study on the impact and cost-effectiveness of establishing a student loan authority to refinance existing federal and private undergraduate and graduate student loans from the proceeds of tax-exempt bonds. This study will shed light on whether such a program could make existing loans more affordable for borrowers in Washington.

- **Ensure Students Attending For-Profit Schools are Adequately Protected**

This report illustrates that students who attend for-profit schools are more likely to struggle repaying their student loan debt. Some of these schools use deceptive recruitment tactics, such as inflated job placement rates, to attract students.

A bill introduced in the Washington State Legislature by Representative Gerry Pollet will ensure that prospective students at private vocational schools receive accurate information, including about postgraduation employment by industry, the total cost to complete a program, and the ability of graduates to repay loans.

Resources

Federal Agencies

U.S. Department of Education

Federal Student Aid Information Center

P.O. Box 84

Washington, D.C. 20044-0084

800-4-FED-AID (TTY: 800-730-8913)

www.StudentAid.gov

Contact the Federal Student Aid Ombudsman at 1-877-557-2575 or www.studentaid.gov/re-pay-loans/disputes/prepare if you have a complaint with your lender that you are not able to resolve.

Consumer Financial Protection Bureau (CFPB)

P.O. Box 4503

Iowa City, IA 52244

855-411-CFPB (2372)

www.consumerfinance.gov

Submit a student loan complaint to the CFPB at

<http://www.consumerfinance.gov/complaint/#student-loan>

Federal Trade Commission (FTC)

Consumer Response Center

600 Pennsylvania Avenue, NW

Washington, D.C. 20580

www.ftc.gov

If you believe you have been contacted by or responded to a scam, file a complaint with the FTC at <https://www.ftccomplaintassistant.gov>.

Washington State Agencies

Washington State Attorney General's Office

1125 Washington St. SE

P.O. Box 40100

Olympia, WA 98504

You can file a complaint at <http://www.atg.wa.gov/file-complaint#Online>. Call the Attorney General's Office Consumer Resource Center at 1-800-551-4636 or 206-464-6684.

Washington State Department of Financial Institutions (DFI)

P.O. Box 41200

Olympia, WA 98504-1200

360-902-8700

You can file a complaint with DFI at <http://dfi.wa.gov/consumers/file-complaint>.

Washington Student Achievement Council (WSAC)

917 Lakeridge Way SW
Olympia, WA 98502
360-753-7800

If you have a complaint about a specific school, WSAC may be able to assist you. Submit a complaint to them at <http://wsac.wa.gov/student-complaints>.

Workforce Training and Education Coordinating Board (WTB)

128 10th Avenue SW
PO Box 43105
Olympia, WA 98504-3105
360-709-4600

The WTB regulates non-degree granting institutions, or private career schools. You can submit a complaint to WTB at http://wtb.wa.gov/PCS_Complaints.asp.

Legal Aid Organizations

National Consumer Law Center (NCLC)

NCLC operates the website www.studentloanborrowerassistance.org which provides a tremendous amount of information for student loan borrowers at all stages of the loan cycle.

Northwest Justice Project (NJP)

NJP has offices across Washington State. You can contact them for assistance and legal advice by calling the free CLEAR intake line at 1-888-201-1014.

Visit www.nwjustice.org.

Washington LawHelp

This website is sponsored by several legal aid organizations. Information about student loans is available under the “Consumer & Debt” heading.

Visit www.washingtonlawhelp.org.

Northwest Consumer Law Center (NWCLC)

NWCLC offers legal help on student loan matters. Contact them at <http://www.nwclc.org/contact-us/> or by phone at 206-805-0989 or toll free at 888-978-3386. You can also send an email to Admin@NWCLC.org.

Endnotes

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Washington State Office of the Attorney General

1125 Washington St. SE

PO Box 40100

Olympia, WA 98504

(360) 753-6200

www.atg.wa.gov