

February 6, 2013

The Honorable Dick Durbin
United States Senate
711 Hart Senate Building
Washington, DC 20510

Dear Senator Durbin:

On behalf of the undersigned organizations, we are writing to express our strong support for the *Fairness for Struggling Students Act of 2013* (S. 114).

Private education loans are one of the riskiest, most expensive ways to pay for college. Like credit cards, they typically have variable interest rates that are higher for those who can least afford them. However, private education loans are treated much more harshly in bankruptcy than credit cards and other comparable types of debt.

Private loan borrowers also lack access to the important deferment, income-based repayment, and loan forgiveness options that accompany federal student loans. This leaves most private loan borrowers at the mercy of the lender if they face financial distress due to unemployment, disability, illness, or military deployment, or when a school shuts down before they can finish their certificate or degree. The recent sudden closures of for-profit colleges in Connecticut, Maryland, Massachusetts, and Rhode Island underscore the urgent need for the *Fairness for Struggling Students Act of 2013*.

The congressionally mandated July 2012 [report](#) from the Consumer Financial Protection Bureau and Department of Education documented the need for bankruptcy relief for struggling private loan borrowers. It is both inappropriate and unfair to distressed borrowers to treat private education loans more harshly than comparable types of debt. Your bill would restore fairness for struggling Americans who pursued the American dream through higher education and training, only to find themselves in financial distress. Representing students, consumers, higher education institutions, faculty and staff, as well as civil rights and public policy organizations, our broad and growing coalition thanks you for your continued leadership on this important issue.

Sincerely,

American Association of Collegiate Registrars and Admissions Officers
American Association of Community Colleges
American Association of State Colleges and Universities
American Association of University Women
American Council on Education
American Federation of Teachers
Americans for Financial Reform
Association of Public and Land-grant Universities
Campus Progress Action

The Center for Responsible Lending
Consumer Action
Consumer Federation of America
Consumers Union
Dēmos: A Network for Ideas & Action
The Education Trust
Empire Justice Center
The Greenlining Institute
The Institute for College Access & Success and its Project on Student Debt
The Leadership Conference on Civil and Human Rights
MFY Legal Services, Inc.
NAACP
National Association for College Admission Counseling
National Association for Equal Opportunity in Higher Education
National Association of Consumer Advocates
National Association of Consumer Bankruptcy Attorneys
National Association of Student Financial Aid Administrators
National Consumer Law Center (on behalf of its low income clients)
National Consumers League
National Council of La Raza
National Education Association
Neighborhood Economic Development Advocacy Project
Public Citizen
Rock the Vote
UNCF
U.S. PIRG
United States Student Association
Woodstock Institute
Young Invincibles