

**Testimony of Jenifer Waller**  
**Colorado Bankers Association**

Before the Colorado House Committee on Finance

[In Support of SB 19-002: Regulate Student Education Loan Servicers](#)

Denver, CO

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Hi I'm Jenifer [Waller] with Colorado Bankers Association; we are supportive of the bill. As you've heard, banks don't make traditional student loans anymore. We do meet the needs of student borrowers by HELOCs or by other mechanisms, but a traditional student loan -- that was taken over by the federal government several years ago. The reason we are supportive of this -- if you're dealing with a bank servicer servicing loans, you have some recourse; you know where you need to go to get problems solved or questions answered. If you're dealing with a nonbank servicer, you really don't have many places to go and many resources available. While we realize this bill will not bring nonbank loan servicers up to the regulation that banks have, it does provide some resources for that customer. We get calls and complaints when a customer feels something has gone wrong and they're dealing with a nonbank servicer, and again we feel this gives them a resource.

Specifically to some points that were brought up -- you are correct, banks don't make student loans any more, that was taken over. We don't really view this as overriding the original lender because servicer can't; they don't have authority. They have to stick to the same terms that the original loan was put in. The complaints that we have seen from the nonbank servicers from our customers that are with the nonbank servicers -- deal more with notifications or doing something different than the original loan agreement. So again, we see this as a resource for those borrowers, not something that overrides that original loan agreement. I'd be happy to answer questions. Thank you