



September 1, 2021

Dave Uejio
Acting Director
Consumer Financial Protection Bureau
1700 G St. N.W.
Washington, D.C. 20552

Re: Evidence of Guaranty Agencies' Non-Compliance with Department of Education Guidance During COVID

Dear Acting Director Uejio,

Last September, we were heartened to learn of the Consumer Financial Protection Bureau's (the "Bureau") investigation into whether participants in the legacy bank-based federally guaranteed loan program, including Ascendium Education Solutions, Inc. ("Ascendium") and Educational Credit Management Corporation ("ECMC"), deliberately obstructed defaulted student loan borrowers' ability to access loan rehabilitation or other repayment protections in violation of consumer financial protection laws.¹ The Bureau's investigations into the potentially unfair, deceptive, and abusive practices of Ascendium and ECMC are critical given the long track-record of abuse and corruption across this segment of the student loan market.²

The purpose of this letter is to alert you to new evidence of illegal conduct uncovered by the Student Borrower Protection Center ("SBPC") indicating that Guaranty Agencies may have actively worked against borrowers' best interests and ignored clear guidance that the Department of Education ("ED") issued to ease debt burdens exacerbated by the COVID-19 emergency.

Background & Findings

In May 2021, the ED's Office of Federal Student Aid ("FSA") issued guidance to Guaranty Agencies memorializing a March 2021 announcement that 1.14 million borrowers who had defaulted on a Federal Family Education Loan ("FFEL") Program loan managed by a Guaranty Agency would be entitled to the same COVID-connected protections promised to all other federal student loan borrowers, including the cancellation of interest charges, the suspension of monthly payments, and the termination of forced collections

¹ https://files.consumerfinance.gov/f/documents/cfpb_ascendium-education-solutions-inc_decision-and-order-on-petition-to-set-a_zQOKF9R.pdf; <https://www.courtlistener.com/docket/59712372/consumer-financial-protection-bureau-v-educational-credit-management/>

² <https://protectborrowers.org/what-it-means-to-be-a-student-loan-servicer-guaranty-agency-edition/>

including wage garnishment.³ In addition, beginning on the date of the announcement, all 1.14 million of these student loan borrowers were immediately entitled to an automatic refund of any wages garnished since the beginning of the pandemic in March 2020.

In August 2021, the SBPC submitted a Freedom of Information Act (“FOIA”) request to FSA to determine whether Guaranty Agencies were in compliance with this guidance. The documents that FSA provided in response provided new evidence that these student loan companies blatantly violated FSA’s specific instructions and may also be in violation of federal consumer financial law:⁴

- **One Guaranty Agency, Ascendium, appears to have illegally garnished millions of dollars of borrowers’ wages in June 2021 alone, in clear violation of ED’s guidance.** Our analysis of the data received in response to our FOIA request indicates that Ascendium continued to collect over \$3.9 million from defaulted FFELP borrowers’ wages in June 2021—after ED’s order that Guaranty Agencies cease all such wage garnishment.⁵ In addition to evidence of continued, unlawful wage garnishment by Ascendium, individual student loan borrowers have also identified ongoing forced collections by other Guaranty Agencies after May 2021.⁶
- **Guaranty Agencies appear to have failed to refund borrowers’ wages as required by ED.** Analysis of the data received in response to our FOIA request indicates that \$12.9 million in cumulative wages garnished since the start of the federal fiscal year in October 2020 had not been refunded by June 2021, long after ED had directed Guaranty Agencies to refund previously garnished wages. Moreover, publicly available data indicate that from March 2020 to October 2020 an additional \$24.8 million in wages were garnished from defaulted FFELP borrowers.⁷ These garnishments also fall within the period during which ED’s order for refunds is clearly meant to retroactively apply, and yet the internal ED records we uncovered make clear that this money was not returned to borrowers. In total, evidence suggests that Guaranty Agencies have failed to refund nearly \$40 million to economically vulnerable student loan borrowers.

As you well know, Guaranty Agencies are inherently called to enact the harshest of debt collection methods—wage garnishment—against the most economically vulnerable student loan borrowers. The use of wage garnishment as a collection tool is especially unconscionable now during the COVID-19 pandemic and in the wake of ED guidance

³ <https://fsapartners.ed.gov/knowledge-center/library/dear-colleague-letters/2021-05-12/expansion-collections-pause-defaulted-ffel-program-loans-managed-guaranty-agencies-updated-may-24-2021>;
<https://www.ed.gov/news/press-releases/departments-education-announces-expansion-covid-19-emergency-flexibilities-additional-federal-student-loans-default>

⁴ <https://protectborrowers.org/wp-content/uploads/2021/09/21-02443-F-final.pdf>

⁵ SBPC calculations.

⁶ <https://www.consumerfinance.gov/data-research/consumer-complaints/search/detail/4534219>

⁷ <https://studentaid.gov/sites/default/files/fsawg/datacenter/library/ga-collections-mar20.xls>,
<https://studentaid.gov/sites/default/files/fsawg/datacenter/library/ga-collections-sept-2020.xls>



explicitly designed to protect borrowers during this exceptionally difficult time. In May 2020, our organization supported a lawsuit brought by the National Consumer Law Center and Student Defense on behalf of hundreds of thousands of student loan borrowers whose wages were garnished in clear violation of federal law during COVID.⁸ In this case, it appears that private-sector student loan companies have similarly illegally garnished wages and failed to refund borrower payments.

This evidence is particularly concerning given Guaranty Agencies' recent claims that their industry sits beyond the reach of federal and state consumer protection regulators.⁹ As you and the Bureau continue to diligently investigate whether Guaranty Agencies obscured information about loan rehabilitation plans from borrowers to increase their own profits, we hope that you will also consider the findings presented here and investigate whether Ascendium and others also continue to exploit the most economically vulnerable student loan borrowers during a once-in-a-generation pandemic by seizing and retaining their wages in violation of federal law.

If you have any questions about the records outlined above and attached to this letter, please contact SBPC Counsel Amber Saddler (amber@protectborrowers.org).

Sincerely,

/s/

Mike Pierce
Policy Director & Managing Counsel
Student Borrower Protection Center

cc:

Richard Cordray, Chief Operating Officer, Office of Federal Student Aid, U.S.
Department of Education
Julie Morgan, Senior Advisor and Acting Under Secretary of Education, U.S.
Department of Education

⁸ <https://protectborrowers.org/suing-betsy-devos-to-stop-illegal-wage-garnishments/>

⁹ See, e.g., https://files.consumerfinance.gov/f/documents/cfpb_ascendium-education-solutions-inc_decision-and-order-on-petition-to-set-a_zQOKF9R.pdf ("Ascendium asserts that it is neither a covered person nor a service provider and therefore that the Bureau has no authority to issue a [subpoena] onto it."); see also <https://scc.virginia.gov/DocketSearch//Home/Document/12/254322> ("In light of the significant adverse effect of the new [VA Student Borrower Bill of Rights] on Federal Guarantors, including NASLA's members, and the clear illegality of imposing the state law provisions on Federal Guarantors, we would respectfully ask for a written determination as soon as possible to make clear the Commonwealth does not intend to exercise improper regulatory oversight on Federal Guarantors.").

Appendix

FOIA
Request
#21-02443-F



Student Borrower Protection Center
1025 Connecticut Avenue NW, Suite 717
Washington, DC 20036

August 6, 2021

U.S. Department of Education
Office of Management
FOIA Service Center
400 Maryland Ave, SW, Room 2W220
Washington, DC 20202-4536

Re: Freedom of Information Act Request

Dear FOIA Officer:

Pursuant to the Freedom of Information Act (FOIA), 5 U.S.C. § 552 and the implementing regulations promulgated thereunder for the U.S. Department of Education (“ED”), 34 C.F.R. Part 5, the Student Borrower Protection Center (“SBPC”) makes the following requests for records.

Background

In a May 12, 2021 Dear Colleague letter,¹ the Department of Education’s Office of Federal Student Aid (FSA) enumerated various “Actions Required to be Taken” by Guarantee Agencies (GAs) to implement relief for borrowers with defaulted loans that the Department of Education (ED) announced on March 30, 2021.² For all populations covered by the May Dear Colleague Letter, FSA stipulated that GAs must take at least the following actions, among others:

- “Payments received through Administrative Wage Garnishment (AWG), the Treasury Offset Program (TOP), and other forms of involuntary collection since March 13, 2020, must be refunded;
- Borrowers who made voluntary payments must be given the option for a refund of those payments;
- All forms of involuntary collection must be suspended;
- All collection attempts (including billings) must cease; and
- Borrowers with active rehabilitation agreements must be notified they are not required to make further payments to receive credit toward rehabilitation.”

¹ <https://fsapartners.ed.gov/knowledge-center/library/dear-colleague-letters/2021-05-12/expansion-collections-pause-defaulted-ffcl-program-loans-managed-guaranty-agencies-updated-may-24-2021>

² <https://www.ed.gov/news/press-releases/department-education-announces-expansion-covid-19-emergency-flexibilities-additional-federal-student-loans-default>

FSA regularly publishes reports on GA collections.³ However, these reports are currently available through only March 2021. This means that even as borrowers enter August, there is no information publicly available regarding GAs' implementation of the refunds and collection halt that FSA ordered in May.

Request

SBPC requests any data that FSA has compiled regarding the cumulative and/or monthly volume of loans collected by Guaranty Agencies since the start of the payment pause in March 2020 through the most recent data possible, since the expansion of relief for defaulted student loan borrowers (cited above) that was announced in March 2021, and since the Dear Colleague letter that FSA sent in May (GEN-21-03). Responsive data should include the volume of commercial FFELP loans collected via Admin Wage Garnishment, Treasury Offset Program, voluntary payments, and/or any other means. Responsive documents should also include any data available tracking refunds paid back to defaulted borrowers pursuant to the May Dear Colleague Letter mentioned above (GEN-21-03).

SBPC does not object to the redaction from such records of any names or personally identifiable information of any individual.

In addition to the records requested above, SBPC also requests records describing the processing of this request, including records sufficient to identify search terms used (if any), and locations and custodians searched and any tracking sheets used to track the processing of this request. This includes any questionnaires, tracking sheets, emails, or certifications completed by, or sent to, ED personnel with respect to the processing of this request. This specifically includes communications or tracking mechanisms sent to, or kept by, individuals who are contacted in order to process this request.

SBPC seeks all responsive records, regardless of format, medium, or physical characteristics. In conducting your search, please understand the terms "record," "document," and "information" in their broadest sense, to include any written, typed, recorded, graphic, printed, or audio material of any kind. We seek records of any kind, including electronic records, audiotapes, videotapes, and photographs, as well as letters, emails, facsimiles, telephone messages, voice mail messages, transcripts, notes, or minutes of any meetings, telephone conversations, or discussions. Our request includes any attachment to these records. In addition, the Department has a duty to construe a FOIA request liberally.

FOIA presumes disclosure. Indeed, "[a]gencies bear the burden of justifying withholding of any records, as FOIA favors a 'strong presumption in favor of disclosure.'" AP v. FBI, 256 F. Supp. 3d 82, 2017 U.S. Dist. LEXIS 161516 at *10 (D.D.C. Sept. 30, 2017) (quoting Dep't of State v. Ray, 502 U.S. 164, 173 (1991)). Under the FOIA Improvement Act of 2016, an agency is permitted to withhold materials only in one of two limited circumstances, i.e., if disclosure would "harm an interest protected by an exemption" or is otherwise "prohibited by law." 5 U.S.C. § 552(a)(8)(A)(i). If the Department takes the position that any portion of any requested record is exempt from disclosure, SBPC requests that you "demonstrate the validity of [each] exemption that [the Department] asserts." People for the American Way v. U.S. Department of Education, 516 F. Supp. 2d 28, 34 (D.D.C. 2007). To satisfy this burden, you may provide SBPC with a Vaughn Index "which must adequately describe each withheld document, state which exemption the agency claims for each withheld document, and explain the exemption's relevance." Id.

³ <https://studentaid.gov/data-center/lender-guaranty>



(citing Johnson v. Exec. Office for U.S. Att'ys, 310 F.3d 771, 774 (D.C. Cir. 2002). See also Vaughn v. Rosen, 484 F.2d 820 (D.C. Cir. 1973). That index must provide, for each document withheld and each justification asserted, a relatively detailed justification – specifically identifying the reasons why the exemption is relevant. See generally King v. U.S. Dep't of Justice, 830 F.2d 210, 223-24 (D.C. Cir. 1987).

To ensure that this request is properly construed and does not create any unnecessary burden on the Department, SBPC welcomes the opportunity to discuss this request at your earliest convenience, consistent with and without waiving the legal requirements for the timeframe for your response.

Please provide responsive material in electronic format, if possible. Please send any responsive material either via email at [REDACTED] or by mail to Student Borrower Protection Center c/o Ben Kaufman; 1025 Connecticut Ave. NW, Suite 717 Washington, D.C. 20036. We welcome any materials that can be provided on a rolling basis.

Request for Waiver of Fees

Please note that the SBPC is a public interest group and that this request is not for commercial use. The maximum dollar amount I am willing to pay for this request is \$25.

Please notify me if the fees will exceed \$25.

I request a waiver of all fees for this request. Disclosure to me of the requested information is in the public interest because it is likely to contribute significantly to public understanding of the operations or activities of the government and student loan servicing, because it and is not primarily in my commercial interest.

The Student Borrower Protection Center is a nonprofit advocacy and research organization founded in 2018. SBPC engages in advocacy, policymaking, and litigation strategy to rein in industry abuses, protect borrowers' rights, and advance economic opportunity for the next generation of students. SBPC uses the information it gathers, and its analysis of it, to educate the public through reports, social media, press releases, and other mediums. SBPC makes its reports available to the public, without cost, on its website (protectborrowers.org).

Accordingly, SBPC qualifies for a fee waiver.

* * *

SBPC looks forward to working with you on this request within the statutorily provided timeframe. If you have any questions or concerns about the scope of the request, or foresee any problems whatsoever, please contact me at [REDACTED] if the request for a fee waiver is not granted, or if any fees will be in excess of \$25, please contact me immediately.

Sincerely,

Ben Kaufman
Head of Investigations
Student Borrower Protection Center

**Responsive
Documents
to FOIA
Request
#21-02443-F**

FY2021 Guaranty Agency Recovery Rates
 Breakdown by Collection Program Type
 June 2021- Fiscal Year-To-Date Results

Rank	Agency	Code	Voluntary Payments	Administrative Wage Garnishment (AWG)	Treasury Offsets	Rehabilitations	Direct Consol.	Total	Beginning Inventory	Percent
1	NEW MEXICO	735	\$ 209,790.39	\$ (57,876.68)	\$ (5,027.65)	\$ 7,918,212.93	\$ 2,321,588.35	\$ 10,386,687.34	\$ 72,409,780.41	14.34%
2	ASCENDIUM	755	\$ 32,221,824.29	\$ 9,378,463.25	\$ (1,008,879.74)	\$ 460,898,168.14	\$ 419,044,699.26	\$ 920,534,275.20	\$ 8,008,787,377.29	11.49%
3	MASS (ASA)	725	\$ 3,641,896.83	\$ (1,241,673.42)	\$ (1,720,841.70)	\$ 75,404,402.46	\$ 73,575,145.80	\$ 149,658,929.97	\$ 1,315,024,416.48	11.38%
4	LOUISIANA	722	\$ 386,084.09	\$ (140,674.63)	\$ (174,973.26)	\$ 8,199,366.81	\$ 4,194,405.09	\$ 12,464,208.10	\$ 110,353,602.13	11.29%
5	MISSOURI	729	\$ 1,125,593.03	\$ 3,780.51	\$ (9,410.55)	\$ 6,571,492.60	\$ 12,675,485.63	\$ 20,366,941.22	\$ 181,012,374.50	11.25%
6	KENTUCKY	721	\$ 8,437,994.14	\$ 3,937,391.69	\$ 2,365,412.40	\$ 30,165,740.55	\$ 14,186,462.19	\$ 59,093,000.97	\$ 548,492,394.86	10.77%
7	ECMC	951	\$ 10,846,470.22	\$ (2,737,917.19)	\$ (5,582,345.66)	\$ 216,221,112.01	\$ 181,439,034.21	\$ 400,186,353.59	\$ 3,886,058,456.41	10.30%
8	COLORADO	708	\$ 2,201,863.45	\$ (675,586.73)	\$ (837,743.54)	\$ 40,548,347.27	\$ 14,828,882.18	\$ 56,065,762.63	\$ 553,742,021.61	10.12%
9	PENNSYLVANIA	742	\$ 24,913,037.89	\$ (4,695,925.49)	\$ (2,709,759.60)	\$ 179,440,819.85	\$ 93,933,684.43	\$ 290,881,857.08	\$ 2,975,654,713.48	9.78%
10	MICHIGAN	726	\$ 4,383,674.98	\$ (402,041.42)	\$ (87,272.40)	\$ 17,990,794.00	\$ 5,987,551.52	\$ 27,872,706.68	\$ 306,925,152.94	9.08%
11	TEXAS	748	\$ 9,137,541.61	\$ 6,294,319.87	\$ (1,151,919.93)	\$ 47,615,224.64	\$ 34,664,152.00	\$ 96,559,318.19	\$ 1,071,712,812.00	9.01%
12	VERMONT	750	\$ 334,512.70	\$ (88,207.20)	\$ (100,084.68)	\$ 2,403,261.14	\$ 1,147,146.46	\$ 3,696,628.42	\$ 41,169,200.53	8.98%
13	OKLAHOMA	740	\$ 757,628.88	\$ (210,329.97)	\$ (402,559.08)	\$ 10,559,025.53	\$ 6,852,180.50	\$ 17,555,945.86	\$ 202,936,354.73	8.65%
14	NORTH CAROLINA	737	\$ 2,188,866.35	\$ 1,845,371.27	\$ 425,355.11	\$ 2,003,323.76	\$ 9,879,872.88	\$ 16,342,789.37	\$ 196,596,890.44	8.31%
15	ILLINOIS	717	\$ 2,035,370.69	\$ (71,175.53)	\$ 753.06	\$ 8,428,148.13	\$ 9,388,629.10	\$ 19,781,725.45	\$ 283,584,201.01	6.98%
16	FLORIDA	712	\$ 4,908,930.76	\$ 2,527,716.70	\$ (174,371.14)	\$ 23,641,892.79	\$ 14,944,755.04	\$ 45,848,924.15	\$ 666,795,179.34	6.88%
17	NEW HAMPSHIRE	733	\$ 332,625.75	\$ (4,594.92)	\$ (45,796.15)	\$ 1,643,213.87	\$ 913,082.51	\$ 2,838,531.06	\$ 44,853,707.61	6.33%
18	NSLP (NEB)	731	\$ 1,148,680.83	\$ (682,609.46)	\$ (1,016,276.48)	\$ 13,262,172.73	\$ 16,141,076.14	\$ 28,853,043.76	\$ 492,456,859.16	5.86%
19	UTAH	749	\$ 574,397.02	\$ (175,817.79)	\$ (125,622.00)	\$ 2,288,806.85	\$ 761,145.23	\$ 3,322,909.31	\$ 61,890,717.59	5.37%
20	NEW YORK	736	\$ 4,437,068.04	\$ 130,651.60	\$ (450,029.77)	\$ 19,601,335.99	\$ 23,351,419.06	\$ 47,070,444.92	\$ 1,217,699,339.56	3.87%
GA Totals			114,223,852	12,933,264	(12,811,393)	1,174,804,862	940,230,398	\$ 2,229,380,983	\$ 22,238,155,552	10.03%
			Regular	AWG	Treasury Offsets	Rehabilitations	Direct Consol.	Total	Beginning Inventory	Percent

FY2021 Guaranty Agency Recovery Rates
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1	NEW MEXICO	735	\$ 197,962.83	\$ (57,876.68)	\$ (5,027.65)	\$ 7,379,064.99	\$ 2,068,774.56	\$ 9,582,898.05	\$ 72,409,780.41	13.23%
2	MISSOURI	729	\$ 1,032,092.91	\$ 633,749.86	\$ (9,410.55)	\$ 6,273,361.40	\$ 12,079,838.85	\$ 20,009,632.47	\$ 181,012,374.50	11.05%
3	ASCENDIUM	755	\$ 33,341,737.65	\$ 5,410,505.32	\$ (796,347.58)	\$ 423,462,798.44	\$ 402,302,969.71	\$ 863,721,663.54	\$ 8,008,787,377.29	10.78%
4	MASS (ASA)	725	\$ 3,175,298.42	\$ 527,616.65	\$ (585,292.11)	\$ 70,573,148.30	\$ 67,588,957.45	\$ 141,279,728.71	\$ 1,315,024,416.48	10.74%
5	LOUISIANA	722	\$ 346,024.06	\$ 32,295.23	\$ (165,358.83)	\$ 7,655,013.59	\$ 3,642,364.94	\$ 11,510,338.99	\$ 110,353,602.13	10.43%
6	KENTUCKY	721	\$ 7,667,700.63	\$ 3,860,143.94	\$ 2,367,703.76	\$ 30,165,740.55	\$ 12,926,965.05	\$ 56,988,253.93	\$ 548,492,394.86	10.39%
7	MICHIGAN	726	\$ 4,066,026.72	\$ 4,684,876.91	\$ (66,813.23)	\$ 16,559,573.54	\$ 5,454,928.20	\$ 30,698,592.14	\$ 306,925,152.94	10.00%
8	ECMC	951	\$ 9,946,868.00	\$ 1,047,397.95	\$ (2,265,866.97)	\$ 205,103,357.95	\$ 171,808,728.86	\$ 385,640,485.79	\$ 3,886,058,456.41	9.92%
9	COLORADO	708	\$ 2,040,742.68	\$ (31,180.32)	\$ (622,375.63)	\$ 38,019,240.52	\$ 12,844,591.54	\$ 52,251,018.79	\$ 553,742,021.61	9.44%
10	TEXAS	748	\$ 8,137,467.33	\$ 10,478,201.81	\$ (14,106.07)	\$ 47,615,224.64	\$ 34,134,907.00	\$ 100,351,694.71	\$ 1,071,712,812.00	9.36%
11	PENNSYLVANIA	742	\$ 22,076,245.49	\$ (4,715,488.73)	\$ (713,121.06)	\$ 170,789,421.04	\$ 83,860,862.55	\$ 271,297,919.29	\$ 2,975,654,713.48	9.12%
12	VERMONT	750	\$ 318,256.06	\$ (88,285.48)	\$ (110,726.83)	\$ 2,403,261.14	\$ 1,115,072.82	\$ 3,637,577.71	\$ 41,169,200.53	8.84%
13	OKLAHOMA	740	\$ 652,185.07	\$ 3,744.64	\$ (387,496.01)	\$ 9,331,599.32	\$ 6,424,661.38	\$ 16,024,694.40	\$ 202,936,354.73	7.90%
14	NORTH CAROLINA	737	\$ 1,975,758.39	\$ 1,812,015.75	\$ 464,739.73	\$ 1,617,457.05	\$ 9,506,149.10	\$ 15,376,120.02	\$ 196,596,890.44	7.82%
15	ILLINOIS	717	\$ 1,868,301.04	\$ 90,189.64	\$ (20,474.77)	\$ 8,073,230.61	\$ 8,540,463.11	\$ 18,551,709.63	\$ 283,584,201.01	6.54%
16	NEW HAMPSHIRE	733	\$ 317,838.63	\$ (1,184.55)	\$ (45,796.15)	\$ 1,583,755.27	\$ 870,384.96	\$ 2,724,998.16	\$ 44,853,707.61	6.08%
17	UTAH	749	\$ 443,886.21	\$ 87,404.77	\$ (42,026.08)	\$ 2,288,806.85	\$ 729,222.98	\$ 3,507,294.73	\$ 61,890,717.59	5.67%
18	NSLP (NEB)	731	\$ 1,031,790.36	\$ (685,626.99)	\$ (1,006,629.48)	\$ 12,578,482.54	\$ 15,113,299.94	\$ 27,031,316.37	\$ 492,456,859.16	5.49%
19	FLORIDA	712	\$ 4,604,032.32	\$ 2,517,736.52	\$ (160,143.15)	\$ 6,716,079.00	\$ 14,065,353.18	\$ 27,743,057.87	\$ 666,795,179.34	4.16%
20	NEW YORK	736	\$ 4,056,975.03	\$ 1,665,993.45	\$ (337,912.39)	\$ 19,601,335.99	\$ 22,486,016.11	\$ 47,472,408.19	\$ 1,217,699,339.56	3.90%
GA Totals			107,297,190	27,272,230	(4,522,481)	1,087,789,953	887,564,512	\$ 2,105,401,403	\$ 22,238,155,552	9.47%
			Regular	AWG	Treasury Offsets	Rehabilitations	Direct Consol.	Total	Beginning Inventory	Percent

Additional Evidence of Consumer Harm

[Go to search home page](#)

[What do all these data points mean?](#)

4534219

Date CFPB received the complaint
7/12/2021

Consumer's state
NC

Consumer's zip

Submitted via
Web

Tags
Servicemember

Did consumer dispute the response?
N/A

Product
Student loan
Sub-product: Federal student loan servicing

Issue
Dealing with your lender or servicer
Sub-issue: Received bad information about your loan

Consumer consent to publish narrative
 Consent provided

Consumer complaint narrative
I have two outstanding student loans with ECMC with a balance that total (\$11000.00) during the covid pause ECMC refused to pause the interest rate and in fact kept calling to pay payments on the student loans. I am also XXXX and a veteran and ECMC still attempted to collect on the loans while in the covid pause was in place. On XX/XX/XXXX, I received a notice from ECMC that I can request a refund of any monies that was paid to ECMC during the pause but they refuse to refund those monies of [\$4000.00]. ECMC still refuses to pause the interest rate on the loans.

Company information

Date complaint sent to company
7/27/2021

Company name
ECMC Group, Inc.

Timely response?
 Yes

Company response to consumer
Closed with explanation

Company public response
Company has responded to the consumer and the CFPB and chooses not to provide a public response



[Go to search home page](#)

[What do all these data points mean?](#)

4328304

Date CFPB received the complaint
4/26/2021

Consumer's state
NY

Consumer's zip
13057

Submitted via
Web

Tags
Servicemember

Did consumer dispute the response?
N/A

Product
Student loan
Sub-product: Federal student loan servicing

Issue
Dealing with your lender or servicer
Sub-issue: Trouble with how payments are being handled

Consumer consent to publish narrative
 Consent provided

Consumer complaint narrative
There was an executive order XX/XX/2021 to cease collection for student loans. ECMC executed a garnishment of my pay on XX/XX/2021, they also continued the garnishment on XX/XX/2021. ECMC did not notify me of this action at any time prior as required to enable me to make payment arrangements. I will in due course make arrangements when able and will attempt to settle the debt with reasonable terms. I reserve the right to have settlement made in any future forgiveness by the government. My school cancelled my curriculum so I was not able to finish and get a marketable degree. I am requesting a refund from the monies garnished this XX/XX/2021. The fax number to charter payroll is XXXX. XXXX XXXX Department. The address to XXXX is XXXX XXXX XXXX XXXX XXXX, Minnesota XXXX. Phone # XXXX. I spoke with XXXX at ECMC. MY name is XXXX XXXX XXXX ss # XXXX. # XXXX XXXX XXXX XXXX XXXX, NY XXXX. XXXX XXXX

Company information

Date complaint sent to company
4/30/2021

Company name
ECMC Group, Inc.

Timely response?
 Yes

Company response to consumer
Closed with explanation

Company public response
Company has responded to the consumer and the CFPB and chooses not to provide a public response



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[What do all these data points mean?](#)

4329653

Date CFPB received the complaint
4/27/2021

Consumer's state
AZ

Consumer's zip
85050

Submitted via
Web

Tags

Did consumer dispute the response?
N/A

Product
Debt collection
Sub-product: Federal student loan debt

Issue
Took or threatened to take negative or legal action
Sub-issue: Collected or attempted to collect exempt funds

Consumer consent to publish narrative
 Consent provided

Consumer complaint narrative
I've received a letter from Account XXXX XXXX XXXX who claims that Ascendium has authorized my employer to resume garnishment of my wages for my Federal Student Loans. XXXX XXXX has extended the pause on Student Loan payments and collections activities until XXXX, XXXX. I've previously had no dealings with this company and I want to understand how they're able to commence collection on a debt that I've been paying through payroll garnishment by the dept of Education until the original pause in XXXX of XXXX. The copy of the letter I received was sent to my employer and is dated XXXX/XXXX Please advise what recourse I have in this matter.

Company information

Date complaint sent to company
4/27/2021

Company name
Ascendium Education Group

Timely response?
 Yes

Company response to consumer
Closed with explanation

Company public response