

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Providers

Jul. 14, 2019



The New Jersey legislature has passed a “student borrower bill of rights” that

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Friday.

State legislators passed a similar bill in late 2017, but it lapsed when then-Gov. Chris Christie didn't sign it.

“New Jersey and other states are looking at the what they can do after the complete abdication of oversight at the federal government for oversight of the student loan servicing industry,” Beverly Brown Ruggia, financial justice organizer for the non-profit advocacy group New Jersey Citizen Action.

Ruggia estimated that 1.1 million New Jersey residents owe more than \$44 billion in student loans.

Stephan Lally, 21, a senior at Ramapo College of New Jersey in Bergen County who testified in support of the student borrower bill of rights legislation in June, said that college students aren't trying to “skirt” their debt. “We want a fair way to pay back our debt without going into further debt. We want to start our lives. When servicers aren't using fair practices, they are holding us back.”

Maine, New York, Maryland, Colorado and Rhode Island have passed similar rights bills this year as the student debt continues to soar. Critics say that Education Secretary Betsy DeVos has failed to police the student loan industry.

Loan servicers faced thousands of complaints and lawsuits over failing to put student borrowers into income-based repayment plans so that they could avoid delinquencies or defaults, and other servicing shortcomings.

Among other borrower protections in the New Jersey legislation is a provision that requires student loan servicers “to evaluate a student loan borrower for eligibility for an income-driven repayment program prior to placing the borrower in forbearance or default, if an income-driven repayment program is available to the borrower.”

Another provision in the New Jersey legislation requires a loan service to “apply

Hello. It looks like you’re using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

© 2019 The Philadelphia Inquirer

Visit The Philadelphia Inquirer at www.inquirer.com

Distributed by [Tribune Content Agency, LLC](#).

Payroll

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved