

BUCKLEY

Student Lending Practice

Growing student loan balances, increasing media focus, and mounting political pressure are likely to keep student lending under tight scrutiny for the foreseeable future. Government regulators, private litigants, and consumer advocates are paying close attention to federal and private student lending and servicing practices, as well as on other financial products and services offered to students. Every aspect of the industry will remain subject to critical review, from marketing, disclosures, and loan terms to servicing, repayment restructuring, and loss mitigation. And increasingly, students and schools are looking to alternative financing, including income share agreements and deferred tuition arrangements, that will push the attention of regulators and litigants in new directions.

Buckley offers clients deep insight into the priorities of government enforcement agencies and private litigants, along with comprehensive knowledge of industry best practices and market trends. Our lawyers assist clients in navigating student lending and servicing licensing regimes, as well as drafting and negotiating program, servicing, and loan purchase and sale agreements. We help student lenders and servicers address the complex ways that unfair or deceptive acts or practices and fair lending concerns affect their businesses. We provide clients with ongoing guidance on emerging legal issues, proactive compliance management, and risk assessment to find practical solutions to address legal risk.

We regularly guide companies through investigations and defend clients in enforcement matters before the Consumer Financial Protection Bureau, Department of Justice, prudential banking regulators, state attorneys general, and consumer regulators. We regularly assist lenders, servicers, and service providers in regulatory examinations, supervisory matters, investigations, and enforcement actions.

Examples of our student lending representations include:

- **Federal student loan servicing:** Advising a major federal student loan servicer in a CFPB enforcement action involving alleged violations of federal consumer financial law in its servicing and debt collection
- **Student loan counseling:** Representing a company in a CFPB investigation into its student loan counseling and debt collection practices
- **Student deposit accounts:** Representing a regional bank in a federal enforcement action involving vendor oversight for student deposit accounts

- **Fair student lending:** Representing a major student lender in responding to its federal prudential banking regulator about its use of predictive school-based attributes in its scoring system
- **Student debt collection:** Defending a company in a state attorney general investigation of its student loan collection practices
- **State student loan servicing law licensing and compliance:** Assist consumer lending company in researching state student loan servicing licensing, disclosure, and operational requirements
- **Innovative student lending products:** Advising a provider of deferred tuition student lending plans in structuring and negotiating program agreements, obtaining necessary licenses, and creating a multistate compliance strategy
- **Military-related student loans:** Defending a major student loan servicer in the first-ever application of the Servicemembers Civil Relief Act's interest rate benefit and default judgment provisions to a student loan servicer, addressing novel questions of law and settling all claims without admission of fault
- **Program structure and counseling:** Guiding several fintech student lenders and servicers in launching new loan programs, revising existing program agreements, negotiating bank partnerships, obtaining state licenses, and navigating changing federal and state guidance for the private student loan industry