

I have a couple of questions after going through the Washington Student Loan Servicer Regulations with our different teams.

1.

In Sec. 6(c)(ii) servicers must provide a written statement to borrower within 15 business days following a request from a borrower. It then goes on to include a number of things that need to be included in the statement.

Are we expected to have our researched or investigation of the request done within 15 days or can it be a notice of receipt that we send within 15 days? Not all requests are created equal, some are very simple while some can require a significant amount of research.

The information that is required according to (c)(ii)(a-e) – is all of this required to be in every statement regardless of the request? What if the request is simple ie, have you received my application, my letter, can I change my email, etc? Providing this amount of information in a statement seems counterintuitive and may even confuse the borrower by receiving all of this information with a short sentence at the end saying, we have received your loan.

2.

Next, regarding the transfer or sale of loans, we are required to notify borrowers no more than 60 days before the effective date of transfer. This is simply, not possible. We often do not even know of the transfer until days before the occurrence. Obviously if we are only getting the transfer information a few days before the effective date we are out of compliance with Washington. How do we reconcile that?

Are consolidations considered transfers or sales? Example, Company A consolidates a loan, and sends it to us to service. Is that a situation where we must notify the borrower within the 45-60 days? Again, that may prove difficult if not impossible.

Thanks,

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