

Navient Settlement Agreement

On May 6, 2022, Attorney General Lawrence Wasden announced a settlement agreement with Navient Corporation and Navient Solutions (“Navient”) regarding their student loan servicing practices. The following FAQs are designed to answer borrowers’ questions about the settlement and its provision of student loan debt forgiveness.

What relief does the settlement provide to Idaho borrowers?

Navient has agreed to provide debt-cancellation to certain Idaho private loan borrowers and to reform its loan-servicing practices.

- **Cancellation of Certain Private Loans.** Eligible borrowers will receive a notice from Navient that their qualifying private loan has been cancelled, and that the credit bureaus will be alerted to remove the loan’s tradeline. (A tradeline is information about a consumer account that is sent to credit bureaus. Tradelines contain data such as the account balance, payment history, and the status of the account, e.g., current, past due, or charged-off).
- **Conduct Reform.** Navient must reform its conduct and cease unfair and deceptive practices in servicing and collecting student loans. It includes terms designed to ensure that Navient improves its servicing and debt collection operations.

Who is eligible for private loan debt cancellation?

The settlement applies to three categories of private school loans:

- **Category 1 (Navient Loans).** Any private school loan (a) with an outstanding balance in past due status for more than seven months as of January 31, 2022, (b) originated under Navient’s Opportunity or Recourse program, and (c) disbursed after 2002.
- **Category 2 (Sallie Mae Loans).** Any private school loan (a) with an outstanding balance in past due status for more than seven months as of January 31, 2022, and (b) disbursed by Sallie Mae lenders or its affiliates after 2002 to a borrower attending a for-profit school owned or operated by:

Company Name	Example School Brands
Advanced Career Technologies, ABC Training Center of Maryland, and The Career Institute	American Career Institute, The Career Institute of American International College, and Clark University Computer Career Institute
Alta College	Westwood College and Redstone College

Company Name	Example School Brands
Apollo Group	University of Phoenix
ATI Enterprises	ATI Career Training Center
Bridgepoint Education	Ashford University
Career Education Corporation	Le Cordon Bleu, Sanford Brown, American InterContinental University, Brooks Institute, Colorado Technical University, Briarcliffe College, Harrington College of Design, International Academy of Design & Technology, and Missouri College
Center for Excellence in Higher Education	College America, Independence University, Stevens-Henager College, and California College San Diego
Corinthian	Bryman Institute, Everest Institute, Everest College, Heald College, and WyoTech
DeVry	DeVry University, Ross University, Keller Graduate School of Management, and Carrington College
Education Corporation of America	Virginia College and Brightwood College
Education Management Corporation	Art Institute, Argosy University, Brown Mackie, and South University
Minnesota School of Business	Minnesota School of Business and Globe University
Graham Holdings	Kaplan University, Kaplan Career Institute, Kaplan College, and Mount Washington College
ITT Educational Services	ITT Technical Institute
Lincoln Educational Services	Lincoln Technical Institute
B&H Education	Marinello School of Beauty
Premier Education Group	Salter College, Branford Hall, Hallmark Institute of Photography, Harris School of Business, American College of Medical Careers

- **Category 3 (Sub-Prime Loans).** Any non-traditional private school loan (a) with an outstanding balance in past due status for more than seven months as of January 31, 2022, and (b) disbursed by Sallie Mae lenders or its affiliates after 2002. A “non-traditional” loan is one disbursed to a borrower with a credit score (1) below 670 to attend a for-profit school, or (2) below 640 to attend a public or private not-for-profit school.

Do borrowers need to do anything to qualify for relief?

No. Navient will notify eligible private loan borrowers in writing of their eligibility.

How can borrowers identify their student loan servicer?

Borrowers can identify their loan servicers through <https://studentaid.gov> or by calling the Federal Student Aid Information Center (FSAIC) at 800-433-3243.

If borrowers are having problems with Navient or another student loan servicer, what can they do?

Borrowers who are having difficulties with a student loan servicer may:

- file a complaint with the [Attorney General's Consumer Protection Division](#).
- file a complaint with the [Consumer Financial Protection Bureau \(CFPB\)](#), a federal agency responsible for consumer financial protection

Borrowers with federal student loans also may file a complaint with [the Federal Student Aid Ombudsman](#).

Who can borrowers contact for more information about the settlement?

Borrowers with questions about the settlement not answered here may email the Attorney General's Consumer Protection Division at consumer_protection@ag.idaho.gov or call 208-334-2424.