

April 21, 2010

The Honorable Steve Cohen  
Chairman, Subcommittee on Commercial and Administrative Law  
Committee on the Judiciary  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairman Cohen:

On behalf of the undersigned organizations, we are writing to express our strong support for the *Private Student Loan Bankruptcy Fairness Act of 2010*.

Private student loans are one of the riskiest, most expensive ways to pay for college. Like credit cards, they typically have variable interest rates that are higher for those who can least afford them. However, private student loans are treated much more harshly in bankruptcy than credit cards and other comparable types of debt.

Private student loan borrowers also lack access to the important deferment, income-based repayment, or loan forgiveness options that come with federal student loans. This leaves most private loan borrowers at the mercy of the lender if they face financial distress due to unemployment, disability, illness or military deployment, or when a school shuts down before they can finish their certificate or degree.

The *Private Student Loan Bankruptcy Fairness Act of 2010* would reverse the unfair and unjustified special bankruptcy protections for private student lenders included in the 2005 bankruptcy law. Our broad coalition of groups representing students, consumers, and institutions of higher education, and civil rights and public policy organizations thanks you for your leadership on this important issue.

Signed, American Association of Collegiate Registrars and Admissions Officers  
American Association of Community Colleges  
American Association of State Colleges and Universities  
American Association of University Women  
American Council on Education  
American Federation of Teachers  
Americans for Financial Reform\*  
Association of Public and Land-grant Universities  
Campus Progress Action  
Consumer Action  
Consumer Federation of America  
Consumer Watchdog  
Consumers Union  
Dēmos: A Network for Ideas & Action  
Empire Justice Center  
The Greenlining Institute  
The Institute for College Access & Success and its Project on Student Debt  
National Association for Equal Opportunity in Higher Education  
National Association of College Admission Counseling  
National Association of Consumer Bankruptcy Attorneys  
National Association of Student Financial Aid Administrators  
National Center for Public Policy and Higher Education  
National Consumer Law Center (on behalf of its low income clients)  
National Consumers League  
National Council of La Raza  
Rock the Vote  
U.S. Public Interest Research Group  
UNCF  
United States Student Association

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\* A large number of organizations are working together to advance Americans for Financial Reform's (AFR) common interest in an accountable, transparent and secure financial system and to accomplish shared policy goals. Because the organizations involved and the issues addressed are diverse, not every organization works on or has a policy position on every specific issue.

Updated to include to include organizations that signed after April 21, 2010.