

Helping Parents Finance Their Education and Training Goals Building Foundations for Economic Mobility

Anand Sharma: Good afternoon everyone, and welcome to the latest installment of the Building Foundations for Economic Mobility webinar series. We're so excited that you took the time out of your day to join us today. If you're joining us for the first time, thank you so much for joining our community here. We've got folks on the line from coast-to-coast. And if you're a BFEM regular, we really appreciate you coming back and know how much you contribute to the conversation and this opportunity to really support the economic mobility of the families that we all care about and the programs that you all are working in every day.

So I wanted to just start by saying, "Hello," and introducing myself. I am Anand Sharma with the National Center on Parent, Family, and Community Engagement which many of you know, is one of several early childhood centers focused on providing TA, or technical assistance, to Head Start and Early Head Start programs. And this webinar series has been going on for quite some time and we have many of the sections archived online for you to access.

So, we'll say a little bit more about that at the end of the webinar. But I did want to remind folks that if you saw the announcement for the previous webinar and were able to actually participate, last time we were talking about partnering with parents on education and training goals. And we talked about some different strategies and highlighted a great resource, the Family Partnership Process. Engaging in goal setting with families. And some of our colleagues here, from the National Center on Parent, Family and Community Engagement as well as a representative from a great Head Start program, shared some of the experiences they've had in being able to set those goals and understand the dreams of the families they're working with around education and training. Now, once you've set those goals with families, it's time to help support them in achieving them. And we know that there are many challenges that families face but one of them is often around financing. How you pay for that education and training. Just looking at the lobby activity that folks engaged in, we saw that there were a number of folks who were really interested in figuring out what their families, how they can pay for that training in education. I will also acknowledge though that there are a lot of requests. It seems like all of you are getting around some of the precursors to being able to get into those kinds of post-secondary education and training opportunities. Whether that be an Associates Degree or even a four-year degree or some kind of training program.

And it's really helpful for us that you share that kind of information because while today we'll be focusing a lot on paying for some of those post-secondary opportunities, this really helps us to think about future topics to cover. And I saw a lot of conversation around some of the supports people need to be able to participate in these programs. So things like, childcare, as well as some of the kind of, academic precursors, like making sure that folks have obtained a GED or are proficient enough in English to be able to pursue a course of study, beyond the high school or GED level. And those are all really, really important things. 51 00:03:16,000 -- > 00:03:17, So today's conversation picks up where we left off on the last webinar and the topic is, 'Helping Parents Finance Their Education and Training Goals.' We're really hoping that today you'll be able to walk away with some knowledge about some excellent resources that the federal government has created to help individuals and families think about how to finance the education that they're interested in obtaining. Everything from looking at loan and finance packages and being able to wave those across programs and kind of getting a sense of what repayment

might look like over time so that they can figure out what options are available and which ones make the best sense for their financial and kind of, family situation. Before we go too much further, we wanted to get you all to weigh in again on a poll question.

And our question is: What percentage of the parents that you're working with in your Head Start and Early Head Start programs want to learn more about financing their education and training? And you can select options right now, between 0-25%, so maybe a quarter of the families. Between a quarter and a half of the families. Maybe over half to three quarters of the families, and then this final option, over 75 percent to 100 percent. Or a final option of, "I'm not sure," which is a totally fine option to choose. So please just take a moment to answer this question to help us get a sense of how hungry the families you're working with are for this kind of information. Again, the question is: What percentage of parents that are in your programs want to learn about their education and training? Allright, the final votes are coming in. But it looks like there's a high concentration of folks on the webinar who are saying that, you know, somewhere between 50 percent and less than that are setting those types of goals. But there's also a significant number that are in the 51 to 75 percent range. So it's a good mix of percentages across the board here. And I think we're getting in those final tally's.

So, that just gives you a sense of, you know, at this point where are the families that we're all working with at, in term of thinking about education and training. Or I should say specifically, asking about how to help finance those goals. Because we know many families have education and training goals that they'd like to achieve and maybe they are facing some other types of challenges of the ones that we spoke about just a few minutes ago before they can even get to that conversation around financing. So, thank you to everyone for weighing in with your responses. I wanted to, with further ado, move into the main part of today's presentation and introduce our presenter.

So we are very pleased to have Aryn Bussey with us today. Aryn is a policy analyst in the Office for Students and Young Americans at the Consumer Financial Protection Bureau, also known as CFPB. Aryn has done a lot of things in her career, but I just wanted to say that, she'll talk a lot about what she's doing now and some of the resources available from the Consumer Financial Protection Bureau. So I'll just say a little bit about some of the work that she has done before taking on this role. And Aryn has a lot of experience throughout government. She has worked in the House of Representatives, has experience also in the Senate and has experience also at the executive level at the U.S. Department of Education. And has expertise spanning a lot of different areas including: science and technology, diversity, women's and veteran's policy, and very importantly for today's conversation, education. So, we are so excited to have Aryn here and I will turn it over to her to talk a little bit more about what CFPB does and to highlight some really great resources that you all can go ahead and access immediately to support the work that you're doing with families in helping them to finance their education and training goals. And after Aryn's presentation, we'll have plenty of time for questions and answers. But I will encourage you to share those questions in the chat function throughout the presentation. So as things come to you, please start sharing those because we'll be taking a look at those throughout the presentation and we'll put them in the queue for the Q and A session and I know that Aryn's very interested to hear your specific questions so that she can share additional knowledge about available resources. And with that, I will turn it over to you Aryn.

Aryn Bussey: Thank you Anand, I really appreciate it. Good afternoon, everyone. My name is Aryn Bussey and I'm a Policy Analyst at the CFPB in the office for Students and Young Consumers. Before I get

started today, I would like to thank the National Center on Parent, Family, and Community Engagement for inviting me. And I'd also like to thank you all for the opportunity to address you. My goal for today's presentation will be to provide you all with an overview of the bureau and what we do as an independent regulatory agency. Then I will go over the great tools and resources we currently have available on our website for consumers looking to finance their education. And then, after that, I'll open up the floor for discussion. So, to get into things. Just a bit of background about the CFPB. So, as many of you remember, in 2007, the United States faced its most significant financial crisis since the Great Depression. In response to this crisis, Congress created the CFPB with the passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act in 2010.

Through the passage of Dodd-Frank, as it's commonly referred to, the bureau marked the first time that a federal agency was created with the sole mission of protecting consumers within the financial marketplace. In 2011, we officially opened our doors and since then we have been working non-stop to ensure that consumers aren't being taken advantage of within the financial services marketplace largely. A lot of our work is centered around consumer education and engagement but we also have a whole host of regulatory and supervisory authority over just about any consumer financial product you can imagine. So, from credit cards, to deposit accounts, to mortgages, to student loans. All of those things fall under our agencies jurisdiction. Another cool thing about the CFPB is that we have the largest consumer complaint system, with the sole mission of helping consumers who are having issues with their financial services institutions or products, and to ensure that they actually get a response on their issue. The great thing about our complaints system, is you can make complaints online and over the phone in I believe over 45 different languages.

So, you know, regardless of which communities you may come from, there's still an opportunity for you to voice some of the issues that you may be having with your financial services provider, and get some level of resolution on your behalf within a fairly short time-frame which is mandated by federal law. Another thing that we do more on the financial education side is, ensure that consumers have access to clear and understandable information to help empower them to make well informed decisions within the financial services marketplace. So, just to kind of give you guys a sense of what we do and who we are. We are the primary regulator, like I said, for just about all of the different financial services companies out there. And a lot of the work that we do, is kind of focused on making sure that consumers aren't getting taken advantage of. So, you can see some of the CFPB by the numbers. We've been successful in collecting \$11.8 billion in relief to consumers through our supervisory and enforcement work. And the Bureau has also accepted so many complaints and those numbers change by the day. We also release annual reports that examine many trends that we see through our complaints database. And we facilitate various consumer engagement and education programs on issues related to money management, saving for college, and even preparing for retirement. So, you know, at your leisure, feel free to check out the CFPB's website. We have a lot of great stuff on there and I think you guys would be really pleased with the way that we try and, you know, really boil down issues that could be really dense, and hard to understand for marginalized communities and migrant communities that have just come into the United States.

So, I'm going to move on to some of the tools and resources that we have available at www.consumerfinance.gov.

So, in 2011, the bureau along with the Department of Education and the U.S. Treasury launched a campaign called, "Know Before You Owe". This campaign -- through this campaign we launched several tools and resources. The bureau has many, many tools that can help students and families decide how they plan to pay for college. And I'll give you guys a brief overview of what some of those things are. So, we'll talk a little bit about our financial aid guides and shopping sheets in addition to how you select a student loan, and once you get on campus, if you're offered a student banking product, how you can best navigate that space. And then we also have a great collection of super simple questions that the average consumer may have about a whole host of products and services which is called AskCFPB. And it's not just limited to student loans, you can ask questions about bank accounts, retirement savings, mortgages, just about anything that kind of falls within the bureau's larger jurisdiction. So, moving on to one of our first tools that we created was essentially the financial aid shopping sheet. So some of the concerns that we frequently hear from students and families, is that they find it very difficult to compare the cost of various colleges as well as the amounts of grants and loans that they qualify for.

As Americans, we comparison shop for just about everything. I don't know about you guys, but I spend a lot of time trying to figure out what's the cheapest way I can get toilet paper sometimes! So, we feel like consumers should be able to do the same thing when it comes to really, really important financial decisions like paying for college. So we heard that financial aid award letters have different ways of displaying what students may be qualified for. And a lot of times it's hard to differentiate between grants and loans and to really make that apples-to-apples comparison of what a prospective student would be eligible for between various schools. So, the financial aid shopping sheet provides students and families with a clear layout of the tuition and cost of attendance at any given university. In addition, the cost information, the shopping sheet also provides important institutional information like graduation rates and the average debt load of graduates upon completion. Along with tuition and fees of a given college, the shopping sheet also shows the net price of the institution which is the cost the individual student can expect to pay after grant, aid and loans are dispersed. So net cost could also include like, housing, books, any other miscellaneous fees, like student fees, you know, those types of things that may not be covered or may not be paid for through the student's aid package, whether it be loans or grants.

Another one of our really, really, really cool tools is the Compare Financial Aid and Cost tool. This tool compliments the shopping sheet, and works to actually help families make that side-by-side comparison. So for a student who's already applied to school, has been accepted and has received her financial aid letter, she can use this tool to see how the given college cost of that school in particular can impact their lives after graduation. This tool provides a glimpse of what the student's future loan payments will likely be after completing the program and clearly presents the total cost of repayment. Like what the student will pay, to pay off their loan, with interest taken into account. Now, a lot of people don't understand that student loans are a very unique product. They truly work unlike any other consumer loan that's out there on the market. One thing that is particularly different about student loans versus traditional consumer loans is that the interest accrues on them daily.

So, even if you were dispersed a loan through the federal government, if the loan is subsidized or unsubsidized, that may increase whatever interest costs the student will take on come graduation. A lot of times, people think that when they take out \$20, it's just \$20, but it's actually a lot more than that for the average student. So we try and work with folks to ensure that they understand what those full costs will be so they won't run into any issues. Moving on to the next slide that's titled "Choosing a Loan." So,

this tool is also really interesting. It includes a detailed comparison of federal and private student loans so that students have a comprehensive picture of what their options are. Our agency tends to have a general rule of thumb when it comes to selecting a student loan. We definitely encourage students to exhaust all of their federal options financially before pursuing a private student loan. Federal student loans have a whole host of borrower benefits and protections under federal law that are not afforded to borrowers who have private student loans. An example of that would be different types of access to forbearance and deferment when temporary financial situations arise. In addition to access to a whole host of different types of alternative repayment plans that really gives the student loan borrower the flexibility from a financial perspective, to kind of pick and choose which repayment schedule and option works best for them. The federal government has probably about three or four different income-based repayment programs that also have some level of eventual forgiveness that is attached to it as well. A lot of those programs and protections, do not exist within the private student loan market.

And students traditionally encounter also a much higher interest rate within the private student loan market as well. So, when talking with some of your parents about you know, pursuing their higher education or what may be some of the best ways to finance that, please encourage them to look and see what they qualify for from a federal perspective first before looking to the private market to finance their education. There may be, depending on what types of programs, some of your parents may be interested in, they may be unable to receive federal financial aid. That is normally a red flag from a program quality perspective. There are naturally some exceptions to the rule when we talk about like, coding academies. But there are some safer financial products out there to help parents who are interested in pursuing like, maybe a certification from a coding academy without going into financial disrepair. So, one of the great tools that we have is for folks who have kind of completed their course of study and their loans have begun to go into repayment. So, one of the cool things about our repaying student loan debt tool is that it provides the borrower with an opportunity to kind of think through what their options are in a really organic type of user friendly decision tree modeling type of situation. So, the borrower goes on to the repay student loan debt tool, they answer questions regarding their student loans in order to kind of, provide them with the best type of information based on their individual circumstances.

So, for borrowers who may have missed a payment, for borrowers who may be in default. You know, they look up and they've received something from a debt collection company saying that you've taken out this student loan and your student loan is in default. Or if you have to maybe take a semester off and you're looking to go back to school in the fall. Like, kind of, what are your options to get your student loans back in good standings so you can actually you know, make that transition back into your studies. A lot of other things kind of play into what this tool may or may not spit out. For instance, if you do have federal student loans, there are programs like, public service loan forgiveness.

Where if you work in public service and make 120 on time payments on your student loans, you qualify for loan forgiveness. There are also a whole host of borrower benefits that are associated with service members and their families. So the tools can provide, that tool can provide those types of families with information on what types of resources and programs may be available to them so they can successfully repay back their loans. And there are a few other programs within the federal government that extend additional borrower benefits to folks that fall into certain types of special populations. The repaying student debt tool kind of takes all of those things into account and tries to push out, you know, what are some of the best-case scenarios for that borrower within that specific situation.

There's also some information on there as it relates to private student loans. As I mentioned before, there aren't a whole host of borrower benefits that are attached to those products generally. So a lot of that information that we do have on there about private loans can tend to be a bit anecdotal because what you have access to will vary based on your lender.

So, another really interesting tool and resource page that we have on our website is for you know, parents or students who may currently be enrolled in higher education institutions. So, nowadays, a lot of schools, whether you're community college or you know, a four year public or private university, they require students to use certain types of financial products and services in order to receive their refunds, pay for books, pay for other supplies or dining services that may be available to them on campus. And the list kind of goes on.

So, that is kind of where our thinking behind the student banking page came from. It provides students with helpful tips to keep in mind when shopping around for a college bank account. So a lot of schools will have a partnership with a financial institution. And through that partnership, that financial institution will have exclusive access to their student population. So, what that may look like is, in most instances they may have you know, some type of activity center or stadium on campus names after said financial institution. You can traditionally find their ATM's or a banking branch on the colleges campus. Oftentimes you will also find the opportunity for students to link their campus dining cards or their campus card that kind of, helps them get into buildings, get into dorms, whatever it may be, get into games, have that linked to a bank account with that financial institution. And a lot of times when folks are entering into the higher education environment, this is kind of their first time, engaging with a bank account and a financial product. And their first true opportunity to manage their own money. So a lot of students kind of see this as an endorsement by their institution in order to use this product. But, some of our work has actually uncovered that that is not in fact true. So I know that Wells Fargo has been in the news a lot. But, Wells Fargo is one example of a bank that could potentially have some type of agreement with an institution.

And a lot of students kind of see that as a formal endorsement, that it's a safe product for them to use. But what we found through our research is that that may not necessarily be true. For a lot of campus banking products, they tend to have higher fee structures than what traditionally would be available to a consumer within the marketplace largely. So students are paying more money to take out -- take out cash via an ATM, or to transfer money from one bank account to the next, or they may have account inactivity fees. They'll say for instance, if a student opened up account because their unit institution told them that they had to have this particular type of card in order to receive their refund check. We see that, maybe once that student withdraws those funds, not only are they paying a higher premium to do so via an ATM, they're also paying a premium because they have not used that account in maybe three months or four months. So our student banking page kind of walks folks through that issue and kind of gives them some advice on how to select the safest and most affordable banking product for themselves. As you can imagine, younger folks and folks within higher education, it takes a lot of time to kind of get adjusted. So, having this information on the front end a lot of universities and colleges have found it to be very useful in educating their students about what their options are.

So, coming towards the end of the presentation, just a recap of what the tools and resources that we have centered around education finance, is our paying for college comparison tool, which has a whole host of one page paper guides around selecting a student loan in addition to the financial aid

comparison tool. And one neat thing about the financial aid comparison tool is, you can actually upload your financial aid award letters to that tool to compare them side-by-side. I believe you can upload up to three different letters at a time. And if that student doesn't have that information, you can also put that information in manually which is sourced through the Department of Education's database that they keep on college cost, and graduation rates, and student loan repayment rates post graduation. The next tool is the Repay Student Debt. These are for students and student loan borrowers who have completed their course of study or maybe not, and their student loans are in repayment.

So this kind of lays down what you will be on the hook for and what you won't be on the hook for and what are your options to make the repayment process as easy as possible for you from a financial perspective. And the last thing that I want to guide you guys to is the Ask CFPB questions. It's really a great tool. It's truly one of the few places online that I've seen that really boils down a lot of super complex, financial types of information, that it's digestible for a whole host of populations. Everything is written in plain language and it's also fairly easy to translate as well. And we do have different views on our website, where you can view this information in different languages too, to try and break down some of those language access barriers that we know exist within communities across the country. Another thing that you folks may be interested in, is we have a train the trainer tool called, "Your Money, Your Goals." And essentially what this is, is it's a tool for direct service practitioners who work with families day-to-day and it has super easy, super digestible way, breaks down different types of financial milestones that consumers may encounter. So like, "I need a bank account?" or, "How do I file for taxes?" or, "I'm looking to get a mortgage, what do I do for that?" So, Your Money, Your Goals, you can get all of our tools and resources and even some of our public -- most of our publications for free, online. But, you can download Your Money, Your Goals directly from our website. And if anyone is interested, we do have an Office of Financial Empowerment that will actually train folks within your different centers, around this tool, if people are interested in using them when dealing with a lot of the parents and families that you all engage with. So, with that being said, I will open up the floor for questions and discussion.

Anand: Thank you so much Aryn. There was a lot of useful information and a lot of different tools and I know that some additional ones that I think could be of particular use for this audience. And I think the Your Money, Your Goals resource as well as the possibility of getting training from this Office of Financial Empowerment that Aryn just ended on, might be really useful for all of you who are doing this work day-to-day and might see a benefit from having that kind of training for a group of your colleagues. So just really want to thank Aryn for the helpful presentation. I see some questions have been coming in to the general chat.

We'll make one more call, if people have questions, please feel free to share them. Let us know what you'd like to ask Aryn about some of the tools that she covered. If you have questions about other aspects of financing education and training, and we know there are many other facets to this question of how you finance education and training, you can feel free to share those too. We might not be able to get to them today, and it might not necessarily be something that Aryn can speak to, but we always view this information to be able to inform future newsletters that we're putting out and resources that we include there. As well as possible webinar topics because we know that there are a lot of questions. And again, I know there was some questions about even just being ready to think about the types of education opportunities that a lot of these funding opportunities would pertain to. Doing things like making sure that you have your GED and that you kind of have that foundation of education, and

knowledge, and skills to be able to pursue some of this additional education and training that you might finance using some of the tools and resources that Aryn highlighted. So, with that, I think we'll start going to some questions.

And I do want to make clear that Aryn is speaking from her role at CFPB and I will throw some questions at her because I think she may have some knowledge based on her past work. But in terms of very specific questions about loans, those are questions that we can take a look at and see if there are ways that we can get answers to you, because many of those might come from say colleagues at the U.S. Department of Education, the Federal Department of Education because those are questions about actual terms and payback of loans. And many of those loans would originate there. CFPB is not making loans themselves. And I think that's a clear point to make. So, these tools will help you think about different options and weigh those options and understand what families are agreeing to when they start looking to finance their education and training. But, CFPB itself is not providing those types of loans to finance education. So, I think to start out, there was a question about FAFSA completion. I think -- The question was, If you complete the FAFSA form, does that apply to all Federal Loans? Does that kind of give you access to all of the -- to consideration of all those Federal Loans? And again, this may be a question Aryn's not comfortable commenting on. But, did you have any quick thoughts on the Aryn?

Aryn: Yes. So when you apply for FAFSA, you will have access to all federal student loans. Currently the federal government only lends loans through the Direct Loans product. There are some older loans that existed within the federal space prior to 2001, but other than that, students will essentially have access to Direct Loans. There's also another set of federal student loans that you can apply for via the FAFSA and those are Grad Plus loans and Parent Plus loans. The thing that is a bit different from the Direct Loans, and a Grad Plus loan, and a Parent Plus loan, is that the entitlements that you are given once you originate those loans, can be a bit different. Under Direct Loan, you have access to income based repayment, and a whole host of other borrower benefits whether it be deferment or forbearance.

You can -- traditionally those loans qualify for the different programs like public service loan forgiveness. There are a few others that are centered around teachers who work at Title 1 schools, or service members, or folks that kind of work within the legal field from a public prospective. That solely only applies to Direct Loans. For Parent Plus loans, and for Grad Plus loans, you generally don't have access to some of the alternative repayment plans. Like some of the more generous income based repayment plans that have some type of forgiveness attached to them, those unfortunately don't apply to Grad Plus or Parent Plus loans. There are also statutory limits from a Direct Loan perspective as to how much you can borrow through that program. That is not true for Direct -- for Grad Plus and Parent Plus loans. So those loans tend to be for certain types of borrowers that are looking to kind of fill in the gaps outside of what their federal loans may have been able to provide to them. And also through the FAFSA, you can apply for Pell Grant, which is a grant program, not a loan, that is traditionally awarded to families and students that live a certain percentage under the poverty level.

Anand: Thank you so much Aryn. So that was a question from Sylvia Gill. So hopefully that helped to answer your question. And now Aryn, you've shown how much expertise you have in all these topics. I was trying to be very, very cautious and not throw any hard balls at you. But now, I feel like everything is fair game.

Aryn: Bring them on!

Anand: Alright, alright, we're going. Alright, so another question that we had, there were a couple folks who asked about public forgiveness, for public sector employment. And this was a question, Sylvia Gill, had this question, and a couple other people had questions. So one was: How do people know if they're eligible for that kind of loan forgiveness? And then I have a couple follow-ups so I'll just put that one out there.

Aryn: Sure. So if you work in public service, and you have a federal student loan that is a Direct Loan, you are eligible for public service loan forgiveness. There really aren't a lot of like, fine lines around what your job title necessarily has to be. But, if you work for a state government, federal government, local government, if you work for a non-profit and you know, anything else that kind of, or any of the other different types of jobs that kind of fall into those buckets. Even, I think, in certain branches of military service, if you do civilian work, you're also qualified for public service loan forgiveness. And we, we have a page on public service loan forgiveness on our website that kind of helps folks walk through what are the steps in order to apply for it. What traditionally happens is, is that the borrower should contact their student loan servicer and let them know that they are a public service employee and they're looking to apply for public service loan forgiveness. Once you do that, you will have to send in an employment certification form. Which we have a step-by-step guide for employers that are looking to set up this type of system to make it seamless for their employees.

And a step-by-step guide for employees who are looking to navigate this system when working with their HR departments. But, it's essentially a fairly simple form and you fill that out and return it to your student loan servicer. Once that form is returned to your student loan servicer, what traditionally happens is that you will experience a servicing transfer. And what that is, is that the company your—everyone has a student loan servicer that's assigned to them once their student loans go into repayment. And that company is traditionally referred to as your student loan servicer. So, you will be transferred from your current student loan servicer to a federal student loan servicer that works specifically on public service loan forgiveness. And that servicer is called PHEAA. So, through that process, all of your information is supposed to transfer over with you in order for PHEAA to determine how many qualifying payments you may already have towards loan forgiveness.

Now, the concept behind a qualifying payment can be a bit squishy at times. And the clock can stop and restart, especially if the borrower invokes their right to put their loans into deferment or forbearance. So a lot of times, people think that they have more qualifying payments than what they actually do, under what the regulations are, around what qualifies as a qualifying payment. But once you have met the 120 threshold, then the remaining balance of your student loan is forgiven. And that is not considered a taxable event. The true difference between public service loan forgiveness and a lot of the alternative repayment plans that do have some type of eventual forgiveness attached to them, is that if you're simply enrolled into a regular alternative repayment plan, that's traditionally income based, and after maybe 10 years or 15 years, you may be eligible for loan forgiveness. Whatever that forgiven amount is, you will be on the hook for that for tax purposes. Now, with public service loan forgiveness, you won't. It's not considered a gift, per se. But you won't have to pay whatever taxes may be owed on that forgiven amount if you are enrolled into public service loan forgiveness. So, we'll start to see, hopefully the first class of folks this fall who will be eligible for public service loan forgiveness. We, the Bureau just released a report on that earlier this summer, talking about some of the issues that we're concerned about as it relates to the program and if of you, or if any of the parents or families that you work with encounter any issues, they can definitely file a complaint with the Bureau through our

complaints database, and we will work with the student loan servicer to try and get those issues resolved.

Anand: Thanks Aryn, and I've seen a couple— there's a lot of interest in this loan forgiveness for public service. And I'm seeing a bunch of questions, I think we've answered a few of them through your comments. Someone was asking, and I think you covered this, but if you could just repeat it. Someone was asking about what happens if a parent can't make, or anyone who is interested in this option, can't make 120 payments toward their loan for purposes of achieving forgiveness. How might that be handled? And this was a question from Mary Gillford. A couple of other people asked as well so I guess you could think of it as, do those 120 payments have to be made without a break? Do they have to be made continuously for each month or what would come out to 10 years? Or are there some conditions where there might be some flexibility there Aryn?

Aryn: So the 120 number is a static number. That is the requirement in order to meet the qualifications for forgiveness but it doesn't necessarily have to happen consecutively. It could be that you made 45 qualifying payments or what the servicer identified as qualifying payments in 2012, and in 2014 through 2000 and some odd in the future, once you make your qualifying payments, you still will eventually qualify for loan forgiveness. So, it's more about meeting that 120 threshold than it is how you meet it or how long it takes you to meet it.

Anand: Thanks for the clarification Aryn. So there are a lot of questions on that topic and I think we covered those. In the interest of time, we only have about 10 minutes left, we want to try and cover some other ground. So here's in a slightly different direction. Karla Montomoro-Small was asking, "If a student acquired a loan, and the college was shut down, due to financial issues, what happens for that student's money? Where does the student able to find support to recover that funding? Is that something that they're able to do?"

Aryn: Yes, there is. So, the Department of Education has a program called Borrower to -- Borrower Repayment Defense, which is essentially a process for students who have been affected by a school closure. A lot of folks may have seen some reports around this in the media about a year or two ago when some of the larger, for-profit college chains had closed their doors. And essentially what this process is, it—I don't want to liken it to a legal process, but it's similar in a sense due to the rigorous amount of records keeping and detailing of how much you took out, where did you take it out, how much did you pay on it, if you paid anything on it, all that stuff. They essentially request a whole host of information from the borrower or you submit that information to the Department of Education for consideration. And based off of their determination, they will either totally forgive whatever federal student loan debt that student may have, or forgive a portion of it. I don't think there's a process like that for borrowers who have attended a closed school but have taken out private school loan. Some private student loan lenders do have some options for borrowers that are kind of in that space, but the benefits that are traditionally available to folks, are limited to the federal student loan space. Which is just another reason why we encourage folks to exhaust all of their federal options first. Because when situations arise, there are a lot of different things that you're entitled to under federal law to kind of help ease that process or get you some due process in a sense, that just aren't available on a private market.

Anand: So, we have another questions and I know, Aryn, that this is not something that your agency would handle, and you might not have the specific contact info. But, Tony Mallet was

asking: Who can you contact to find out how much you have left in loan money available to you? For example, answering questions like what is the loan limitation for a particular person.

Aryn: Right, so that National Student Loan Database, which is something that is administered through the Department of Education, is the best place to start. That'll give you a sense of how much money you've taken out, how much aid you may have left at that particular institution. There are a lot of quirks to the Federal Student Loan program. Where once you meet, or you attempted to take on a certain amount of credit hours, it will cut off your ability to take out federal student loans at that particular institution. But you can essentially find out all of that information either via logging in to the NSLDS, or through the Department of Education's website. And some of that stuff also may be present through Ask CFPB. But those traditionally are too, a bit more safer places for you to go to get full accounting of what's available to you, what you've already taken out, who's your student loan servicer if you haven't engaged with those loans at all, what you've repayed, what you haven't repayed, what your interest rate is, what repayment plan you're currently enrolled in, what your monthly payment is under that repayment plan. You can find all that information using their student loan database. And also, you may be able to— if you're really looking more at the repayment side of it, you should also be able to access that information through the online portal through your student loan servicer.

Anand: So, I'm trying to find just a few more questions. We have quite a few and I know that a lot of these I think are actually going to give us some good ideas for future resources and webinars. But with the few minutes that we have left, Aryn, someone asks: Is there any help for families that may have attended college in the past, and have outstanding student loans or other issue that they're not able to pay back and is there some sort of tool to help families think about how to manage that issue.

Aryn: So, our Repay Student Debt is a good start. But the first place I would encourage folks to go to is to the National Student Loan database. First, just to get a sense of what you owe and who is your student loan servicer. Because oftentimes, a lot of folks, may have thought that they paid off a student loan once upon a time, or they know that they have one out there that was floating around but they knew it was only for \$5 but they received some type of correspondence whether it be via mail or over the phone that tells them that they owe double that or triple that. And the National Student Loan Database really gives folks the most accurate information out there about what their student loan debt is, how much it is and who is like in charge of managing that for them on behalf of the federal government. The second place is of course, our Repay Student Loan Debt tool. It's interactive and folks can kind of— once you have that information of how much you owe, what the interest rate is on it, or what type of loan that it is, it will really kind of break down what your options are to kind of get back on the right track. Another good place to check out too is— the Department of Education has a repayment estimator calculator. Where you can kind of plug in what your student loan amount is, where you live, what your interest rate is, and it'll kind of give you a snapshot of what your monthly payment will be under the different alternative repayment plans that you qualify for. Now, when I say it gives you a snapshot, it's truly a snapshot because the calculator makes a whole host of assumptions. So to truly get an understanding of what that amount is, you really need to have a conversation with your student loan servicer. But to enroll into— to begin to make good on your student loan, whether they're in default or in collections, or whatever stage that they're in, you can do all of that for free through your student loan servicer.

The federal government pays a lot of money to contractors in order to administer the repayment process for borrowers. And I know that a lot of folks, especially in this environment, tend to be a lot more susceptible to scams where a company will tell them that for \$5 we'll get you a \$0 payment for your federal student loans. You do not need to pay these people in order to access that \$0 payment if you in fact qualify for it. There are instances in which, based off your income and family size, in which a consumer could potentially qualify for a \$0 payment on their federal student loans. And what a \$0 payment is, is that statutorily, people are required to make a payment on their student loans. But based off of what your financial situation may be, how many people you have within your household, your monthly payment could be as low as \$0. It could also be as low as \$5 or \$50. There's also a different program that a lot of times, people kind of conflate the two, which is a default management program. So you may be not necessarily contacted by a student loan servicer, but you may be contacted by a debt collector on behalf of the Department of Education in order to rehab your student loans. So what that process traditionally looks like for people is, you're required to make, I think it's 9 consecutive payments. And they're normally like \$5 payments or \$50 payments towards your student loans to get them back into good standing. Once your student loans are pulled out of default, your credit report is cleared up for the most part and your loans are considered back in good standing. And then from there, you can enroll into an alternative repayment program that may afford you a \$0 payment or something that may be more affordable, considering what your financial situation is.

Anand: Thanks Aryn. We are just about out of time but there is one quick question I'm hoping you can address Aryn. So, Sharon Suntime, had asked about families that may be looking for help to pay for a GED, and is there any support for that? And I didn't know if you had any thoughts on that and I just really wanted to squeeze it in because I know there is so many folks who are saying that that is kind of the most pressing education goal and dream for parents that are working with, on their pathway to economic mobility. So do you have any thoughts or reactions to that?

Aryn: So unfortunately, there aren't any federal programs that provide assistance to consumers that are looking to pursue their GED directly. They do fund different programs that kind of go through states, or go through different intermediaries that are like on the ground that can help with that type of stuff. But not from a federal perspective. So I would just encourage folks to reach out to their state Department of Education or their local school district. To kind of find out what types of options are truly available for them. I know, like in a lot of cities, if you attend X amount of training sessions or study sessions through a GED, like a non-profit organization or the city, will wave whatever testing fees. Or take care of whatever the testing fees are in order for you to take the GED. But they're truly unique to certain states and certain cities. So—or even in some instances, counties also have programs. So I would definitely encourage folks to do some Google searches and see what's available in their states. Because there are a whole host of non-profits that do this type of work. You know, GED centers that may say, hey, once you get your GED, we'll help you do job training and we'll pay for your testing courses in order for you to get up to speed on the test. We'll pay for you to take it and we'll help you get placement into a job training program through one of our partners. There are a lot of public-private partnerships that exist out there that can help families mitigate those costs on the front end.

Anand: Thank you so much Aryn, and I'm going to have to call time on our conversation here. So just a couple of updates for folks. Take a look at the screen right now, it'll be available on the slides but there's a website for additional resources, particularly for students and also contact information. You can send questions to students@cfpb.gov. Want to just quickly go through and make a couple other reminders.

So, as folks know, the conversation does not have to stop here. There's the MyPeers, Mobility Learning Community that you can access by registering for an account using the directions on this slide. You'll wait for a MangoApps email message confirming that you've been registered. And you'll just have to click the login link and create a user profile. You'll find the Economic Mobility Learning Community and just click "Join" on the landing page. It's a great way to find additional resources and really continue the conversation in between installments of this webinar series. And I also wanted to mention that on our next slide we have the link to all the past BFEM webinars. There's over a dozen webinars, covering lots of different topics from things like today's conversation about financing education, to building assets, and helping families in other aspects of their economic mobility journey. So encourage all of you to check it out if you're new to BFEM or relive some of your favorite past webinars by taking a look at the archives there. And last but certainly not least, I just wanted to say thank you very, very much to all of you joining out there and for sharing such great questions. But most importantly to Aryn for sharing so much expertise about a wide range of things that I'm sure, she wasn't even sure she'd be talking about today. But, I found it really educating and enlightening and I hope all of you did too. We know that there's a lot of other questions folks probably have but again, really just wanted to introduce you to this whole array of resources that we have in the federal government through the Consumer Financial Protection Bureau. And we'll definitely think about additional resources and things that we can highlight in the future. But please join me in virtually welcoming, or thanking rather, Aryn. We are so appreciative for your time.

Aryn: Oh yeah, thank you so much! And as you mentioned, the students inbox is something that everyone on our team has access to. So there is actually a person that is manning it. So if you do have any questions related to student loans or the servicing, particularly the servicing of student loans, we definitely encourage you to shoot us a message. And if you ever encounter any problems with any financial products or services that you may use, whether it's student loans or not, I definitely encourage folks to file a complaint with the Bureau. By law, they're required to submit a response, I think it's no later than 35 days. So people get pretty quick resolution around their issues with their financial services company or with their bank or whomever it may be. So definitely feel free to use that as a resource and guide, folks, that way if you ever run into any problems.

Anand: And again that address is students@cfpb.gov if you have additional questions or complaints that you want to share. So with that, I think we'll call it a success for today's installment of Building Foundations for Economic Mobility webinar series. We hope that you'll stay tuned for an update about our next webinar. But until then, we wish you a great week and a great fall.

Take care!