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How The White House Is Harming College Borrowers



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Personal Finance

For more than a generation, the GOP trope with a nod and a wink was "I'm here from Washington and I'm here to help."

Yet sometimes, government policies *do* help Americans -- especially those with crippling college debt -- which now totals more than \$1.4 trillion.

The Trump Administration, though, is making it more difficult to pay down, eliminate or avoid college loans. Recent actions are hurting borrowers.

Under the unqualified leadership of Betsy DeVos, education secretary, the Trump Administration is [rolling back rules](#) that protected some 40 million Americans carrying student debt.



U.S. Secretary of Education Betsy DeVos. (Photo by Alex Wong/Getty Images)

The latest anti-borrower moves involves DeVos refusing to back more than half dozen consumer protections. That's why [several states are suing](#) the administration to enforce the rules.

When it comes to college loans, there are few safeguards outside of a raft of rules -- part of federal law -- that mandate everything from loan forgiveness to consolidation.

But since the Department of Education is such a poor communicator and a lousy watchdog, there have been tens of thousands of student loan complaints against the government and private borrowers and loan servicing companies. In the most recent report, [borrower complaints](#) soared more than 300%.

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Some companies are clearly predatory, as [I discovered in past reporting](#). You can get swindled just trying to get help on your loans.

And then there's for-profit colleges, which are another separate cauldron of mass financial deception. Many have promised high-paying jobs and careers with no guarantee. On top of that, they have no skin in the game since they dole out federal loans -- they have none of their own money at stake.

Here again, the Trump Administration wants to [roll back rules](#) that allowed for-profit college students to get their money back if they didn't get what the colleges promised.

Even crueller is the Trump budget plan, which, among other things, wants to cut loan forgiveness for public service workers like first responders, nurses and teachers.

Democrats in Congress, the Consumer Financial Protection Bureau and state attorneys general are vigorously fighting the Trump-DeVos retreat to the stone age.

In the interim, know how you can protect yourself and fight back. Here's what you need to know:

-- **File a complaint with the CFPB.** Although the GOP majority wants to bury the consumer agency, it's the only watchdog on patrol when it comes to student borrowing abuses in Washington. [File complaints here](#).

-- **Know the Rules and Keep Educating Yourself.** Until Congress acts to get

rid of consumer protections, they will stay on the books. The [Department of Education's site](#) is still the first place to start.

-- **Get Active.** There's power in numbers. [Tell your congressman](#) how you're getting bamboozled. Join an advocacy group like [Student Debt Crisis](#). Call your Congressman to demand that you be protected through preserving and enhancing the powers of the CFPB and Education Dept.

In these turbulent times, one thing is certain: If there are pro-consumer rules and agencies on the book, you're going to have to fight to keep them. The White House is not going to be your advocate.

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