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MADIGAN ANNOUNCES CONSUMER TOP 10 COMPLAINTS LIST, FILES ANOTHER STUDENT LOAN DEBT LAWSUIT

Education-related Complaints Make List of Top Consumer Issues in 2015

Chicago — Attorney General Lisa Madigan today announced her office's annual top 10 consumer complaints for 2015 that again show consumer debt and identity theft ranked as the top concerns among Illinois consumers in the last year. Another pervasive issue has made the list for the first time – education-related complaints as student borrowers grapple with mounting student loan debt, issues with loan servicers and predatory for-profit schools. To further address these issues, Madigan also announced a lawsuit against another student loan debt relief scam.

"Unfortunately students who are saddled with crushing debt and who have been misled from achieving their goals submit regular complaints to my office," Attorney General Madigan said. "Too many students are unable to build the futures they worked so hard to achieve, and my office will continue to combat the many scams targeting these students."

Madigan's office received 25,094 complaints in 2015. For the eighth year in a row, consumer debt ranked as the top complaint, with 3,350 complaints involving issues such as mortgage lending, abusive debt collection practices and predatory payday loans. Number two on the list also for the eighth year in a row is identity theft, with 2,636 complaints.

Education-related complaints now rank number seven, reflecting the growing student loan debt crisis. Madigan has taken extensive and aggressive action to help student borrowers as estimates show approximately 40 million Americans hold \$1.2 trillion in student loan debt. In fact, according to National Public Radio, "more people have more student loan debt than at any time in history," and "average student loan debt has tripled since the mid-1990s." As those numbers increase, Madigan was the first attorney general in the country to crack down on a new industry of student loan debt relief scams, and today announced she has filed her eighth lawsuit against a student loan relief scam operator.

Madigan's lawsuit against Lombard, Ill.-based National Student Loan Rescue, LLC (NSLR) and Gregory Kewin, one of NSLR's principals, alleges numerous violations of the Consumer Fraud and Deceptive Business Practices Act and the Debt Settlement Consumer Protection Act. The lawsuit alleges that NSLR charges high upfront fees for little more than document preparation services. Despite advertising wide-ranging services, such as the ability to get student loans out of default, remove wage garnishments, lower monthly payments and secure loan forgiveness, Madigan alleges NSLR's services amount to little more than applying for federal student loan consolidation, an application process that is already available to borrowers for free from the U.S. Department of Education.

Madigan is a national leader in investigating and enforcing consumer protection violations in the higher education field. Madigan is leading an investigation into Sallie Mae (now Navient), and pursuing litigation against national for-profit colleges for fraudulent marketing practices. Madigan has testified before Congress and urged the U.S. Department of Education to crack down on the many abuses and scams facing student borrowers.

In the last year alone, Madigan reached a \$15 million settlement with for-profit school Westwood College that forgave private debt owed by students of Westwood's criminal justice program, after which the college announced its closure. Madigan also entered into two settlements with for-profit education company Education Management Corporation (EDMC), which operates five Illinois Institute of Art and Argosy University campuses. The settlements significantly reformed EDMC's recruiting and enrollment practices, forgave more than \$3 million in loans for Illinois students, and returned money fraudulently obtained from the State of Illinois.

In addition, to provide student borrowers with free resources about repayment options, avoiding default or to file a complaint about loan servicing, Madigan operates a [Student Loan Helpline](#) (1-800-455-2456 TTY: 1-800-964-3013).

Top 10 Breakdown

Madigan's annual top 10 list of consumer complaints ranks every complaint her office receives on a range of topics. In total, Madigan's Consumer Fraud Bureau achieved more than \$12 million in savings for Illinois consumers in 2015. In addition to consumer debt, identity theft and education-related complaints, Madigan noted other categories that topped her list of complaints involved telecommunications and home repair.

CATEGORY	# OF COMPLAINTS
1. Consumer Debt (mortgages, collection agencies, banks)	3,350
2. Identity Theft (government document fraud, credit cards, utilities, data breaches)	2,636
3. Telecommunications (telemarketing, cable and satellite TV, phone service and repairs, cell phones)	2,188
4. Construction/Home Improvement (remodeling, roofs and gutters, heating and cooling, plumbing)	2,167
5. Used Auto Sales/Motor Vehicles (as-is used cars, financing, warranties)	1,835
6. Promotions/Schemes (phone scams, investment schemes, lottery scams, phishing)	1,813
7. Education (for-profit schools, student loan debt, loan counseling)	1,523
8. Internet/Mail Order Products (Internet and catalog purchases, TV and radio advertising)	1,019
9. Fraud Against Business (consulting services, equipment leasing, directories and publications)	726
10. Motor Vehicle/Non-Warranty Repair (collision, engines, oil changes and tune-ups)	714

For more information, visit Madigan's website or contact her office about consumer fraud issues.

Consumer Fraud Hotlines:

1-800-386-5438 (Chicago), 1-800-243-0618 (Springfield) or 1-800-243-0607 (Carbondale)

Spanish Language Hotline: 1-866-310-8398

Student Loan Helpline: 1-800-455-2456

Identity Theft Hotline: 1-866-999-5630

Homeowner Helpline: 1-866-544-7151

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