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MADIGAN: NEW LAW PREVENTS STUDENT LOAN BORROWERS FROM LOSING PROFESSIONAL LICENSES

Common Sense Law Ensures Borrowers Keep Earning While Repaying Student Loan Debt

Chicago — Attorney General Lisa Madigan today announced that a new law will prevent a student loan borrower’s professional license from being suspended if they are behind on their payments.

Madigan initiated Senate Bill 2439, the Career Preservation and Student Loan Repayment Act, to prevent the state from suspending or terminating professional licenses of student loan borrowers who are behind on their monthly payments. SB 2439 was sponsored by Sen. Scott Bennett and Rep. Carol Ammons and becomes effective immediately.

Previously in Illinois, the law allowed the state to revoke or suspend a person’s professional license in dozens of occupations for being behind on student loan payments, including teachers, engineers, veterinarians, dieticians, marriage and family therapists, and occupational therapists.

“With millions of Americans dealing with more than \$1 trillion of student loan debt, we need to focus on enacting policies that help student loan borrowers repay their debt – not punish them when they fall behind on payments,” Madigan said. “This new law will ensure that borrowers maintain their ability to use their education to support their families and repay their student loans.”

“Student loan borrowers are better able to support themselves and their families while repaying their student loans when they are working in the good paying jobs for which they trained,” Bennett said. “This is a commonsense measure, and I appreciate the Attorney General’s advocacy on behalf of students and their families.”

“As a state, we cannot on one hand urge young people to pursue higher education and the significant debt that accompanies it, and then on the other hand punish them when they are professionals working to repay their loans,” Ammons said. “I was proud to sponsor this law to end the practice of punishing those who are having a hard time making their monthly payments.”

Attorney General Madigan is a national leader in investigating and enforcing consumer protection violations in the higher education field. Last year, Madigan initiated the Illinois Student Loan Bill of Rights to protect students from widespread abuses and failures by student loan servicing companies that make it difficult for borrowers to repay their loans. Madigan also filed a lawsuit against one of the largest student loan servicers in the country, Navient, for similar abuses in the student loan servicing industry.

Madigan has investigated for-profit schools for fraud and repeatedly called on the U.S. Department of Education to immediately forgive federal loans of students who attended for-profit schools the Department has deemed fraudulent. Madigan has also testified before Congress and urged the U.S. Department of Education to crack down on the many abuses and scams facing student borrowers.

Madigan also instituted a free Student Loan Helpline to provide student borrowers with resources about repayment options, avoiding default or how to file a complaint about loan servicing at (800) 455-2456 (TTY: 1-800-964-3013). More information can be found on her [website](#).

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