

What you need to know

The California Student Borrower Bill of Rights was established by AB-376. These rights apply to all Californians with federal and/or private student loans.

- 1** Loan servicers must provide borrowers with accurate information about loan terms, repayment options, and benefits.
- 2** Loan servicers must process and post loan payments in a timely manner.
- 3** Loan servicers must allocate any overpayments in a manner that is in the best financial interest of a student loan borrower.
- 4** Loan servicers must minimize late fees—to not exceed 6% of any past due amount.
- 5** Loan servicers must process paperwork in a timely manner.
- 6** Loan servicers must respond to a borrower's Qualified Written Request (QWR) within 30 business days.
- 7** If a student loan is transferred, the original loan servicer must notify the borrower of these changes at least 15 days before a payment is due.
- 8** Special protections are established for military borrowers, borrowers working in public service, older borrowers, and borrowers with disabilities.
- 9** If a loan servicer does not follow the terms above, a borrower can take legal action against them. This is called a "Private Right of Action."

For more information, visit www.dfpi.ca.gov/studentborrower-resources.

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