



## Beware of Student Loan Debt Relief Scams

The District of Columbia Department of Insurance, Securities and Banking warns residents to be on the alert for companies offering deceptive student debt relief services. These services are often promoted through web and social media ads or appear in search engine results.

The scam involves private companies that promise student loan debt relief services for a fee. In actuality, these services are available for free from loan servicers or providers. Free services include:

- Loan consolidation
- Payment modification
- Income based repayment plans
- Public Service Loan Forgiveness
- Total and Permanent Disability Discharge among other forms of discharge

While not all companies offering such services are ill-intentioned, according to an [action filed by the Consumer Financial Protection Bureau in 2019](#), one scam operation alone defrauded thousands of federal-student-loan debtors of more than \$71 million.

To avoid becoming a victim of deceitful student loan debt relief scams, remember:

- Never pay upfront or pay monthly fees to get help.
- Beware of any company promising immediate loan forgiveness.
- Do not share personal or sensitive information.
- Check with your loan provider to see if the same services are available for free.

When in doubt, contact the District of Columbia Department of Insurance, Securities and Banking Student Loan Ombudsman at 202-727-8000 or [DCLoanHelp@dc.gov](mailto:DCLoanHelp@dc.gov). If you have federal student loans, visit [StudentAid.gov/repay](https://StudentAid.gov/repay); if you have a private loan, talk to your loan servicer.

Other Online Resources:

- [Federal Trade Commission Information on Student Loans](#)
- [Income-Driven Repayment \(IDR\) Plan Request](#)
- [National Foundation for Credit Counseling](#)
- [Nerdwallet Student Loan Relief Guide During Coronavirus \(COVID-19\)](#)
- [Student Loan Repayment Calculator](#)
- [Identify Your Student Loan Servicer](#)

If you, or someone you know, has been a victim of deceitful student loan debt relief practices, file your complaint with DISB online at [disb.dc.gov](https://disb.dc.gov). You can also contact us at [disbcomplaints@dc.gov](mailto:disbcomplaints@dc.gov) or call 202-727-8000.

### **DISB Mission**

Our mission is three-fold: (1) cultivate a regulatory environment that protects consumers and attracts and retains financial services firms to the District; (2) empower and educate residents on financial matters; and (3) provide financing for District small businesses.