

United States Senate

WASHINGTON, DC 20510

April 5, 2018

Ms. Leandra English
Acting Director
The Consumer Financial Protection Bureau
1700 G Street, NW
Washington, D.C. 20552

The Honorable Mick Mulvaney
Director
Office of Management and Budget
725 17th Street, NW
Washington, D.C. 20552

Dear Acting Director English and Director Mulvaney:

We write to request a record of all meetings and communication between the Consumer Financial Protection Bureau (CFPB) and Navient Corporation (“Navient”) since January 18, 2017 to determine the extent of industry influence over ongoing consumer protection enforcement efforts.

Congress created the CFPB to respond to consumer complaints about financial products and services, identify systemic issues, and ensure that companies are not violating federal consumer protection laws or harming consumers.¹ In furtherance of this mission, the CFPB has devoted significant attention and resources to protecting student loan borrowers by policing student lending and the actions of loan servicers and debt collectors.

In January 2017, the CFPB announced its intent to file a lawsuit against Navient, one of the U.S. Department of Education’s largest federal student loan servicing contractors, for allegedly creating obstacles for borrowers to repay loans. The servicer may have violated federal consumer protection laws and harmed borrowers by pushing them into more expensive federal repayment programs.² Navient is also being sued by Attorneys General from Pennsylvania, Illinois, and Washington for allegedly violating states’ consumer protection laws by harming borrowers with unnecessary repayment obstacles.³

¹ “The bureau.” *Consumer Financial Protection Bureau*. (Accessed: 2018, January 29). Online at: <https://www.consumerfinance.gov/about-us/the-bureau/>.

² “CFPB sues nation’s largest student loan company Navient for failing borrowers at every stage of repayment.” *Consumer Financial Protection Bureau*. (2017, January 18). Online at: <https://www.consumerfinance.gov/about-us/newsroom/cfpb-sues-nations-largest-student-loan-company-navient-failing-borrowers-every-stage-repayment/>.

³ Commonwealth of Pennsylvania court filing vs. Navient Corporation and Navient Solutions, LLC. (2017, October 5). Online at:

The CFPB's lawsuit is not Navient's first allegation of unlawful activity by a federal agency. In 2014, the company was fined nearly \$100 million by the Department of Justice and the Federal Deposit Insurance Corporation for systematically overcharging service members on their student loans.⁴ Navient was also the subject of more CFPB complaints than any other company in the country during the first quarter of 2017, including Wells Fargo, Equifax, and other national banks and credit unions.⁵ And in response to the lawsuit filed by the CFPB, Navient has asserted that, "there is no expectation that the servicer will 'act in the interest of the consumer.'"⁶

Recent reports indicate that the CFPB is considering a settlement with Navient.⁷ These reports have also noted that some staff appear concerned that "the bureau's enforcement team will be ordered to agree to terms that let Navient off lightly."⁸ Additionally, in response to a question for the record following recent Congressional testimony about whether you would commit to vigorously pursuing and continuing the CFPB's existing litigation with the student loan industry, including Navient, you evasively responded that you were "reviewing all of the Bureau's enforcement matters to ensure that the ongoing work adheres to the proper interpretation of Federal consumer financial law."⁹

In order for us to understand the nature of the interaction between Navient and the CFPB during this litigation, and to assess whether such interaction is appropriate, we request:

- A list of all meetings between Navient and CFPB staff or leadership, meeting dates, meeting duration, and lists of CFPB staff or leadership who attended each meeting since January 18, 2017. Please specifically identify all political staff.
- A record of all calls between Navient and CFPB staff or leadership, call dates, call durations, and lists of CFPB staff or leadership who participated in each call since January 18, 2017. Please specifically identify all political staff.

[https://www.attorneygeneral.gov/uploadedFiles/MainSite/Content/Related_Content/PressReleases/PA%20v.%20Navient%20Complaint%202017-10-6%20\(Stamped%20Copy\).pdf](https://www.attorneygeneral.gov/uploadedFiles/MainSite/Content/Related_Content/PressReleases/PA%20v.%20Navient%20Complaint%202017-10-6%20(Stamped%20Copy).pdf); Consumer Financial Protection Bureau court filing vs. Navient Corporation, Navient Solutions, Inc., and Pioneer Credit Recovery, Inc. (2017, January 18). Online at: http://files.consumerfinance.gov/f/documents/201701_cfpb_Navient-Pioneer-Credit-Recovery-complaint.pdf.

⁴ "Justice Department Reaches \$60 Million Settlement with Sallie Mae to Resolve Allegations of Charging Military Servicemembers Excessive Rates on Student Loans." *United States Department of Justice*. (2014, May 13). Online at: <https://www.justice.gov/opa/pr/justice-department-reaches-60-million-settlement-sallie-mae-resolve-allegations-charging>; "FDIC Announces Settlement with Sallie Mae for Unfair and Deceptive Practices and Violations of the Servicemembers Civil Relief Act." *Federal Deposit Insurance Corporation*. (2014, May 13). Online at: <https://www.fdic.gov/news/news/press/2014/pr14033.html>

⁵ "Monthly Complaint Report." Vol. 22. Consumer Financial Protection Bureau (2017, April). Online at: http://files.consumerfinance.gov/f/documents/201704_cfpb_Monthly-Complaint-Report.pdf.

⁶ Navient Corporation court filing. (2017, March 24). Online at: <https://consumermediallc.files.wordpress.com/2017/04/gov-uscourts-pamd-110329-29-0.pdf>.

⁷ <https://www.propublica.org/article/consumer-financial-protection-bureau-declaration-of-dependence>

⁸ *Id.*

⁹ Director Mick Mulvaney, "Response to Question for the Record from Senator Patty Murray," *U.S. Senate Budget Committee*, written responses, February 13, 2018

- Any and all documents that have been shared between the CFPB and Navient since January 18, 2017.

Please provide this information by April 19, 2018.

Sincerely,



RICHARD BLUMENTHAL
United States Senate



ELIZABETH WARREN
United States Senate



RICHARD J. DURBIN
United States Senate



PATTY MURRAY
United States Senate