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March 4, 2016

VIA ELECTRONIC DELIVERY

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Room TWA325
Washington, DC 20554

Re: Notice of *Ex Parte* Presentations
CG Docket No. 02-278

Dear Ms. Dortch:

On March 2, 2016, Mark W. Brennan and Wesley B. Platt of Hogan Lovells US LLP, counsel to Navient Corp. ("Navient"), met with Amy Bender from Commissioner O'Rielly's office. On March 3, 2016, we met with Travis Litman and Jennifer Thompson from Commissioner Rosenworcel's office. At both meetings, we discussed the Commission's implementation of Section 301 of the Bipartisan Budget Act of 2015,[1] which exempts from the Telephone Consumer Protection Act's ("TCPA") technology-based "prior express consent" restriction calls to wireless numbers that are made "solely to collect a debt owed to or guaranteed by the United States."[2]

During the meetings, we explained that Navient is the nation's largest student loan servicer and has been a leader in loan management and servicing for more than 40 years. Navient leads the education finance industry in developing effective and innovative loan servicing techniques and preventing federal student loan defaults. Federal student loan borrowers who use Navient are 38 percent less likely to default than borrowers who use other loan servicers.

We described the critical role that telephone conversations play in helping student loan borrowers resolve delinquencies and avoid defaults. The federal student loan landscape is far more complex now than it was 25 years ago, and many distressed borrowers are not fully aware of the numerous federal student loan repayment options. For example, there are now 15 different repayment plan options, including those that allow monthly payments to be based on income and as low as $0/month. Borrowers also now have multiple forbearance and forgiveness options.

At the meetings, we explained that Navient is able to help borrowers resolve their delinquencies and prevent default **more than 90 percent of the time** when it is able to have a

[1] Bipartisan Budget Act of 2015, Pub. L. No. 114-74, § 301(a)(2)(H), 129 Stat. 584 (2015).

[2] *See* 47 U.S.C. § 227(b)(1).

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telephone conversation with the borrower. Conversely, 90 percent of borrowers who default on their federal student loans have never had a telephone conversation with Navient, despite its efforts to reach them. Meanwhile, it typically takes four or more conversations with a borrower to explain the borrower's options, select a forbearance, forgiveness, or other repayment option, and finalize the federally required paperwork.

In addition, we explained that any proposals to limit the number or duration of calls should be based on a robust record and carefully tailored to reflect the different circumstances that apply to different types of federally owned or guaranteed debt. We noted that the Commission should expressly recognize that the new exemption includes not only calls from creditors but also calls from those placing calls on their behalf, including student loan servicers. It should also expressly recognize that the exemption includes calls to both delinquent and defaulted student loan borrowers, along with certain pre-delinquency calls to federal student loan borrowers – such as those that notify a borrower that the annual period for an income-based repayment plan is ending soon and that the borrower must re-qualify and submit the annual paperwork to remain eligible.

Similarly, any limit on the "number" of calls allowed under the exemption for student loan debt owed to or guaranteed by the federal government should focus on calls that result in a live contact rather than call attempts. Navient can more effectively counsel borrowers on the various repayment options available through a direct conversation. Meanwhile, 80 percent of Navient's first conversations with borrowers only occur after six or more calls have been placed.

Finally, we noted that the exemption applies based on the purpose of the calls, not the recipient. Under the statute, callers are exempt from the TCPA' technology-based "prior express consent" restriction on calls to wireless numbers so long as the calls' *purpose* is solely to collect a debt owed to or guaranteed by the federal government.

Pursuant to Section 1.1206(b) of the Commission's rules, I am filing this notice electronically in the above-referenced docket. Please contact me directly with any questions.

Respectfully submitted,

/s/ Mark W. Brennan

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cc: Amy Bender
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