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March 21, 2017

The Honorable Mark Stone
State Capitol
Sacramento, CA 95814

**RE: Support for Assembly Bill 38 - Student loan servicers: licensing and regulation:
Student Loan Servicing Act.**

Dear Assemblymember Stone,

California Association of Nonprofits (CalNonprofits), a statewide policy alliance of more than 10,000 organizations, is the voice for California's nonprofit community. Through our advocacy work, we protect and enhance the ability of California's nonprofits to serve our state, the nation and the world. Thank you for introducing Assembly Bill 38 which will build on current law to provide clarity and give protections to students who are navigating the confusing realm of student loan servicing.

CalNonprofits recently conducted a survey, *Student Debt and the Nonprofit Workforce* [Student Debt and the Nonprofit Workforce](#) and found that student debt is hurting recruitment, retention and diversity in the nonprofit workforce. In fact, of the nearly 1,000 employees surveyed, 23 percent have debt of \$90,000 or greater. An estimated 160,000 nonprofit employees in California alone carry student debt.

CalNonprofits supported your bill last year, AB 2251, which enacted new licensing requirements for student loan services operating in California. AB 38 will build upon this law, to ensure that student loan borrowers are given reliable information, quality customer service, and meaningful access to repayment and forgiveness programs.

CalNonprofits is pleased to support AB 38 because it will protect student loan borrowers by increasing student loan servicer accountability.

Sincerely,



Jan Masaoka,
CEO, California Association of Nonprofits

cc: Jennifer Fearing, Sacramento Advocate, California Association of Nonprofits