



SOTTILE & BARILE
ATTORNEYS AT LAW

**ILLINOIS AMENDS LAW THAT
DEBT COLLECTION LAW
FIRMS ARE NOT CONSIDERED
STUDENT LOAN SERVICERS**

On July 27, 2018, the Governor of Illinois signed House Bill 4397, which amends the Student Loan Servicing Rights Act. Previous to the amendment, the Illinois statute defined a student loan servicer as any person engaged in the business of servicing student loans. As part of the definition, the statute excluded 9 organizations from the definition, not excluded was a law firm or licensed attorney. The new amendment passed last week now excludes a law firm or licensed attorney that is collecting post-default debt from the definition of a Student Loan Servicer. While it may seem pretty obvious to have already excluded a law firm from this definition, in this world of over-regulation it is pleasant to see a law passed that favors debt collection law firms. The amended law is effective December 31, 2018.

For more information, please feel free to contact Senior Attorney, Karl Meyer, at karl.meyer@sottileandbarile.com.