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Here are 5 Changes Student Loan Borrowers Could See in 2022

"Experts say that if student loan forgiveness is going to happen, it will likely be before the midterm elections."

Why this is important: During the last election cycle, President Biden and several members of Congress indicated a willingness to make changes to the trillion dollar federal student loan industry. Many changes have occurred since January 2020, including the pause of payments due to the pandemic. The payment moratorium, however, ends next month and student loan payments for federal student loans will restart in February 2022. Experts anticipate several actual or potential changes to the federal student loan programs in 2022:

1. Loan cancellation – Although not presently in a bill before Congress, loan cancellation in some amount still could occur.
2. Bankruptcy changes – Current proposed legislation would allow federal student loans to be discharged in bankruptcy.
3. New servicers – With three companies ending their servicing of federal student loans, approximately 16 million borrowers will have a new servicer.
4. Grace period extension – The Department of Education is considering a three-month grace period when repayment begins in February 2022.
5. Lower payments – While typically borrowers must document qualifying for income-based repayment plans, the Department of Education is considering permitting borrowers to self-certify information on a temporary basis.

In addition, because defaulted student loan borrowers may have missed out on the expanded child tax credit (partially paid as a tax refund), the Department of Education "may automatically move more than 7 million student loan borrowers out of their defaulted state" to address the issue. Regardless of how many of these predictions come to fruition, it is apparent that changes to the federal student loan program, servicing, and collections will occur in 2022. **Servicers should closely pay attention to any announcement from the Department of Education and proposed legislation in Congress.** ---

[Angela L. Beblo](#)

What to Expect: Day 1 of Regulation F

"The number of lawsuits in 2021 will likely exceed the number in 2020, and we can expect 2022 to be equally as active."

Why this is important: So much has been said and written about the new Regulation F. Now that it has been in effect for a few days, this article predicts the types of lawsuits it will bring. Anyone who has spent time reading about Reg F won't be surprised to see the predictions. One commentator expects to see lawsuits over the model validation notice and, more particularly, "substantially similar" modifications to the notice. Another predicts that lawsuits will focus on collectors who don't use the model validation notice. Another predicts lawsuits will focus on whether collectors have appropriately itemized the debts they seek to collect. In addition to the subject matter of the lawsuits, predictions are the number of lawsuits being filed will increase. **This all means that collectors must have a good understanding of Reg F's provisions and train their staff to be prepared to comply with those provisions.** --- [Nicholas P. Mooney II](#)

Virginia, West Virginia Attorneys General Join Other AGs Urging the FCC to Force Robocallers to Stop Misusing Phone Numbers

"Attorneys general from all 50 states and the District of Columbia have signed a letter sent to the Federal Communications Commission (FCC) in support of forcing robocallers to halt misusing phone numbers."

Why this is important: On November 15, Virginia Attorney General Mark Herring joined a bipartisan multistate coalition of 51 attorneys general (including those in North Carolina, Pennsylvania, and West Virginia) in writing to the Federal Communications Commission ("FCC") in "support of its efforts to reduce illegal robocallers' access to legitimate phone numbers." In a related press release, Attorney General Herring stated, "Earlier this year, phone companies were required to implement STIR/SHAKEN caller ID authentication technology to combat spoofing by ensuring that telephone calls originate from verified phone numbers. [As a result] scam robocalls have dropped by 29 percent since June as the phone industry continues to put STIR/SHAKEN into effect."

Robocallers have been successfully evading caller ID authentication by purchasing access to legitimate phone numbers to conceal their identities. Typically, they do so by providing false identifying information to, or otherwise shielding their identities from, the companies that have access to legitimate numbers.

The FCC proposed to implement a more thorough application, review, and monitoring process for phone companies that request direct access to phone numbers and to require these companies to verify their customers' identities to help keep the numbers from being sold, leased, or rented to illegal robocallers. --- [Bryce J. Hunter](#)

US Consumers' Savings Dip from Pandemic-Era Highs

"On balance many people are in good enough financial shape to weather surprise shocks to their wallets."

Why this is important: During the initial phases of the pandemic, numerous articles discussed the increased savings rates of Americans and how the savings rate had reached the highest average in decades. As employment remains strong and companies reopen, however, Americans' savings rate is decreasing according to some reports. And, that decrease is apparent across the board from those who live paycheck-to-paycheck as well as those who do not. The upcoming holiday season may benefit from the higher savings rates as individuals once again feel more secure about the financial situation. **Holiday shopping reports during December, as well as final numbers in the beginning of 2022, compared to savings rates will provide insight into the economic recovery and perhaps guidance as to whether businesses should expect increased sales in 2022.** --- [Angela L. Beblo](#)

More Merchants Ready to Explore Cryptocurrency as 'Digital Payment of the Future'

"Research shows that about 18% of the U.S. population — approximately 46 million people — would be interested in transacting with crypto."

Why this is important: The pandemic increased the already growing demand for digital, or contactless, payment options. This article reports on research that shows a growing segment of the U.S. population is interested in adding cryptocurrencies as another form of those options. The research makes a good point that merchants have pivoted before to meet customer demand and theorizes that merchants would do the same regarding cryptocurrencies if the demand continues to grow. The article discusses several considerations that must be addressed for cryptocurrencies to be a viable payment option, including recognition of their price volatility and the possibility of stablecoins as an alternative. **At bottom, some form of virtual currency - either cryptocurrencies, stablecoins, or central bank digital currencies - will become part of the landscape of payment options.** And, this article discusses some of the issues that merchants and customers must be ready to face when that happens. --- [Nicholas P. Mooney II](#)

Thank you for reading this issue of *All Consuming!* We hope you found the information timely and useful. If you have topics you would like us to cover or would like to add someone to our distribution list, please [email us](#).

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