

Public Service Workers Reach Significant Class Action Settlement with Loan Servicer Navient

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Ten public service workers have agreed to settle a proposed nationwide class action lawsuit with Navient Solutions, LLC, one of the nation's largest student loan servicers.

Represented by Selendy & Gay PLLC, plaintiffs, members of the American Federation of Teachers union, commenced the suit in October 2018 before a federal court in the Southern District of New York, challenging Navient's practices with respect to advising federal student loan borrowers on Public Service Loan Forgiveness (PSLF), a federal government relief program that forgives the balance on certain public servants' federal student loans after 10 years of qualifying payments.

On June 19, Judge Denise L. Cote preliminarily approved the terms of a class settlement. Under the settlement, Navient agreed, among other things, to enhance its call center practices by providing additional training to customer service representatives to listen for indications of potential eligibility for PSLF and to ask probing questions about possible employment by qualifying government or not-for-profit organizations. Borrowers who may be eligible to pursue PSLF will be given further information on the forgiveness program or directed to the Federal Student Aid website or FedLoan Servicing, the government's designated servicer for PSLF. Navient will certify its compliance with the enhanced practices on an annual basis. Borrowers have not released their individual damages claims.

Navient also will contribute \$1.75 million to an organization, to be agreed upon by the parties, that provides education and student loan counseling to public service borrowers. These funds will provide an additional avenue for borrowers across the country to access information about PSLF, helping future generations of public workers.

Final approval of the agreement is expected within months.

In praising the settlement, Faith Gay, who co-led the representation of the plaintiffs, said, "Public interest work is a pillar of our practice, and we are proud of our role in helping these public service workers, who

have dedicated their lives to their communities. This agreement is a critical step forward in protecting the bipartisan promise of loan forgiveness.”

Randi Weingarten, President of the American Federation of Teachers, said, “We are again proud to be represented by the powerful women-led team at Selendy & Gay who share AFT’s commitment to the public good and helped craft this remarkable settlement. Because of the firm and our members’ hard work, borrowers are well on their way to realizing the original promise of the Public Service Loan Forgiveness program.”

Lena Konanova, co-lead counsel on the Navient case, said, “We are so proud to fight for teachers, nurses, social workers and other public service workers who are seeking the promised loan forgiveness from the federal government. While this suit may be ending, there are still millions of public servants laboring under the weight of student debt, and our broader advocacy on behalf of student borrowers has only just begun.”

Along with Gay and Konanova, the Navient plaintiffs were represented by Maria Ginzburg and Margaret Siller of Selendy & Gay.

The case is *Hyland, et al. v. Navient Corp., et al.* in the United States District Court for the Southern District of New York, No. 18-cv-9031.

Attorneys

- Faith Gay
- Lena Konanova
- Maria Ginzburg

Practices

- Class Actions
- Public Interest and Pro Bono