

Ohio Attorney General Takes Action Against Borrowers with Defaulted Loans

By Brooke Heath

Ohio University alumni with defaulted student loans have reason to worry. Recently, the Office of Ohio State Attorney General Marc Dann announced that he is in pursuit of a number of alumni who have neglected to repay their student loans and, as a result, have gone into default.

These long-delinquent loans have been referred to the attorney general's office from Ohio University. According to *The Athens News*, the majority of the debt is in the form of Perkins Loans, which are campus-based loans given directly to students at the university. These loans are also need-based; students need to demonstrate financial need to be eligible to receive these low-interest loans.

A spokesperson from Ohio University said that the university refers defaulted student loans to the Ohio Attorney General's Office and that all collection actions are handled by that agency.

"Ohio University is not supposed to go out after that debt," the spokesperson explained. "That is the attorney general's role and only his role."

According to Higher Education Washington, Inc.'s *NewsLine*, these outstanding loans range in size from less than \$1,000 to more than \$13,000, totaling more than \$96,000. Since April 1, 29 of these cases have been filed with the Athens County Common Pleas Court.

The majority of those who owe on the loans live in the state, but their places of residence range from Athens, Ohio, to Atlanta, Georgia. The loans also vary in age, ranging from loans that were taken out in the past few years to some that were taken out 15 years ago.

According to *The Athens News*, Ben Espy, executive attorney for Ohio State Attorney General Dann, said that these actions against the delinquent loans reflect standard operating procedure.

Espy also said that prior to taking this step, the attorney general would have tried to encourage the debtor to pay on his or her loan.

"These are old cases," Espy said. "This is a last resort."