



August 14, 2025

Via email to:

Senator Elizabeth Warren
United States Senate
Washington, D.C., 20510

Re: Your August 3, 2025 Letter

Dear Senator Warren:

Thank you for your letter dated August 3, 2025 regarding the “Big, Beautiful Bill” and your concerns related to the bill’s impact on private student loans.

As I’m sure you are aware, Nelnet has not originated significant volumes of private education loans, and in our servicing operations we do not process applications or perform origination functions for other lenders. As a loan servicer, we are proud of our focus on our customers’ needs, our robust compliance management systems, and our long history of supporting consumers’ access to higher education.

We share your focus on and dedication to ensuring student loan borrowers have a positive and supported experience as they take on and manage debt related to furthering their education, and we take seriously our role to help borrowers and our obligation to comply with applicable laws and regulations.

Sincerely,

A handwritten signature in black ink that reads "Jeffrey R. Noordhoek".

Jeffrey R. Noordhoek, CEO
Nelnet, Inc.





September 17, 2025

Via email to: [REDACTED]

Senator Elizabeth Warren
United States Senate
Washington, D.C., 20510

Re: Your August 3, 2025 Letter

Dear Senator Warren:

This letter supplements Nelnet, Inc.’s (“Nelnet”) August 14 letter, which responded to your August 3 letter seeking, among other things, proprietary and confidential information about Nelnet Bank’s very insignificant private education loan operations—a mere fraction of one percent—in the \$9.27 billion private student loan (“PSL”) origination market. We were surprised by that letter given our small volume, but even more so because its implied thesis was that PSL originators like Nelnet Bank will break the law and take advantage of borrowers if Public Law 119-21, often called the “One Big Beautiful Bill Act,” increases PSL demand, even though there is no evidence Nelnet is doing so in its current originations. Nelnet rejects that allegation. Nevertheless, following a September 3 phone call with your staff, and in a desire to work as cooperatively as possible with you within the constraints of disclosure rules, we are able to share the following data in response to your August 3 inquiry.

1. Regarding forthcoming changes to your private student loan portfolio:
 - a. Summarize any changes your company plans to make to its private student loan product offerings in the next two years.

We continue to evaluate the likely impact of Public Law 119-21 on the PSL landscape. While we anticipate it may increase demand for PSLs, we have not finalized specific plans for changes to the products we offer. If and as we do, all products will be offered in a manner that meets or exceeds the requirements of applicable consumer laws and protections, as our current products do now.

2. Provide data quantifying the:
 - i. New student loan borrowers you have lent to, and average amounts lent per new borrower annually since 2020.

Nelnet Bank began offering in-school private student loans in April 2022. Since that time Nelnet Bank has made private student loans to





approximately 5,100 new borrowers, and the average amount lent is approximately \$18,100.

- ii. Projected new student loan borrowers you will lend to, and average projected amounts you will lend per new borrower annually through December 2030.

As stated above, we continue to evaluate the PSL marketplace in light of Public Law 119-21. We are not presently in a position to make such projections; we do anticipate loan volumes in the market generally will increase.

- iii. New private student loans your company originated annually since January 2020.

Nelnet Bank began offering in-school private student loans in April 2022 and originated the following approximate amounts of such loans in the years indicated.

2022	\$9.8 million
2023	\$23.0 million
2024	\$33.0 million
2025 (through 6/30)	\$37.0 million

- iv. Projected number of private student loans your company will originate annually through December 2030.

As stated above, we continue to evaluate the PSL marketplace in light of Public Law 119-21. We are not presently in a position to make such projections; we do anticipate loan volumes in the market generally will increase.

2. Regarding the servicing of loans originated by your company:
 - a. Provide a list of entities currently responsible for servicing private student loans that originate with your company.

Private student loans originated by Nelnet Bank are serviced by Nelnet Servicing, LLC, d/b/a Firstmark Services, an affiliate of Nelnet Bank and wholly owned subsidiary of Nelnet, Inc.

- ol style="list-style-type: none;">- b. Have any of these entities ever been the subject of a complaint filed by the CFPB or other legal action? If so, please describe them.





The CFPB has not filed suit against Nelnet Servicing, LLC.

- c. Provide the average call wait time for borrowers seeking assistance with loans originated by your company.

Firstmark Services' goal is to answer Nelnet Bank customer calls within sixty seconds. Over the past twelve months Firstmark Services has met or exceeded that standard.

- d. Provide any plans that you or your servicer has for expanding customer service capacity to account for the upcoming influx of private student loan borrowers.

We are confident in Firstmark Services' ability to scale operations to meet an increase in volume from private student loan borrowers. The servicing approach is grounded in a flexible and responsive infrastructure that allows the call centers to adapt quickly to changing demands. This includes maintaining a strong focus on customer service excellence, regulatory compliance, and operational efficiency. We and Firstmark continuously assess capacity needs and implement proactive measures to ensure service levels remain appropriate, even during periods of increased activity. Our commitment to delivering a positive borrower experience and meeting all compliance requirements remains unwavering.

- e. Describe the customer service available to borrowers with private student loans who are overcharged or who are otherwise subject to loan servicing errors.

Nelnet is committed to maintaining accurate service and resolving borrower concerns promptly and professionally. We have established procedures to address servicing errors, and our servicing teams work closely with borrowers to investigate and correct any identified issues, with transparency and timely resolution. We also provide clear communication channels and support tools to help borrowers understand their accounts and report concerns. Our approach is rooted in regulatory compliance, operational integrity, and a strong commitment to the borrower experience.

- 3. Regarding the collections of loans owned by your company:

- a. List any and all entities currently responsible for managing debt collections for private student loans originated by your company.

SIMM Associates, Inc.

- b. Have any of these entities ever been the subject of a complaint filed by the CFPB or other legal action? If so, please describe them.





To Nelnet's knowledge, the CFPB has not filed suit against SIMM Associates, Inc.

4. For private student loan borrowers in default:

- a. Provide data indicating the proportion of active private student loans originated by your company that have gone into default since January 2020.

Nelnet Bank began offering in-school private student loans in April 2022. The approximate percentage of such loans currently in default is indicated by origination year below.

2022	0.8%
2023	1.3%
2024	0.1%
2025 (through 6/30)	0.0%

- b. Provide the median loan balance of private student loan borrowers who are currently in default on at least one loan that you hold.

The median loan balance of private student loans in default is approximately \$10,800.

- c. Provide the median monthly payment of private student loan borrowers currently in default on at least one loan that you hold.

The median monthly payment of private student loan borrowers currently in default is approximately \$125.00.

- d. Describe all services you provide to help borrowers get out of default.

Nelnet does not perform defaulted loan servicing, but we and our default servicer are committed to helping borrowers successfully navigate out of default and return to good standing. Borrowers are given access to tools, resources, and support that guide them through available options, including consolidation and rehabilitation programs where applicable. Our approach emphasizes clear communication, borrower education, and personalized assistance to ensure individuals understand their choices and can take informed steps toward financial recovery, always with a focus on long-term success and compliance with applicable regulations.

5. Indicate any and all protections your company has in place to protect private student loan borrowers who encounter:

- a. Predatory schools that defraud students;
 - b. Sudden school closures;
 - c. Temporary financial hardship; and





- d. Permanent disability that interferes with their ability to work.

We are committed to supporting and protecting private student loan borrowers who face such issues. Our servicing approach is guided by a strong borrower-first philosophy, ensuring that individuals in difficult circumstances are treated with empathy, fairness, and care. We maintain policies and procedures designed to provide appropriate support and relief options in alignment with regulatory expectations and industry best practices. Our goal is to help borrowers navigate these situations with as much clarity and assistance as possible, while maintaining full compliance with applicable laws and standards.

6. Indicate how each of these protections compares to the protections available for federal student loans.

Our commitment to and philosophy of servicing federal student loans is the same.

7. Has your company sold any student loans to private equity firms in the past?

No.

If so:

- a. List any and all private equity firms to which your company has sold student loans.
- b. Provide the total value of student loans sold to each private equity firm and how much money your company received in return.
- c. Provide the number of loans sold to each private equity firm.
- d. Specify the number of defaulted borrowers whose private student loans were sold to each private equity firm.

8. Does your company have any plans to sell student loans to private equity firms in the future? If so, please describe these plans.

We do not disclose forward-looking product plans outside of formal investor communications, as such information may be considered proprietary, competitively sensitive, or material.

Respectfully,

A handwritten signature in black ink that reads "Jeffrey R. Noordhoek".

Jeffrey R. Noordhoek, CEO
Nelnet, Inc.

