UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF THE GENERAL COUNSEL

October 1, 1999

Amy M. Schoepke, Esq.
Wisconsin Consumer Act Section
State of Wisconsin Department of Financial Institutions
Division of Corporate & Consumer Services
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PO Box 8041
Madison, WI 53708-8041

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Dear Ms. Schoepke:

This is in response to your letter of September 3 to Judith A. Winston, General Counsel, regarding the Wisconsin statutory requirement that lenders under the Federal Family Education Loan Program (FFELP) register with the State. In particular, you ask for our views about the argument, advanced by an FFELP lender, that the Wisconsin requirements for lender registration and payment of a related fee are preempted by the FFELP statute, 20 U.S.C. 1071, et seq.

It is our view that the subject requirements are not preempted by the FFELP statute. This position is based on the description of the registration requirement and the related fee that is set forth in your letter.

I trust that this letter is responsive to your inquiry.

Sincerely,

Harold Jenkins

Harold Jenkins
Assistant General Counsel
for Postsecondary Education