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Statement by Veterans Education Success President Carrie Wofford

Borrower Defense Relief News - Department of Education Decision Today:

“Great News for Half a Million Students Nationwide – including (Estimated) Countless Thousands of Veterans, Cheated by Corinthian College Yet Many More Defrauded Veterans Still Waiting”

WASHINGTON D.C., June 2, 2022 – “This is huge news for countless thousands of students – many of them veterans – who were cheated by Corinthian College out of their GI Bill and loaded up with unfair student debt. It’s a staggering number of students and a staggering amount of money being announced by the Education Department—and we are so grateful on behalf of the veterans we serve who were scammed by Corinthian.”

“This company did horrible things, like telling military veterans the Pentagon was recommending Corinthian and having its recruiters sign their emails as ‘Pentagon Advisors.’ They tricked countless veterans into handing over their GI Bill and then – on top of that – loaded them up with student loans they never wanted.”

“The Biden Administration has done the right thing by Corinthian students. It is especially fitting that Vice President Harris joined the announcement because she was a key leader as California Attorney General – alongside President Biden’s son Beau Biden as Delaware Attorney General – in leading the states’ legal action against Corinthian that shut down that fraud. We’re so grateful to her for her long decade of effort against this incredibly pernicious company.”

“Targeted loan relief like this helps the most vulnerable populations -- the first-generation, low-income students who were unwittingly loaded up with unfair debt for worthless degrees.”

“Today’s news is a crucial step forward, but thousands of other student veterans who have been scammed by for-profit schools are still awaiting action by the Education Department on their applications for Borrower Defense relief.”

“We also need Congress to step up to stop the fraud. There should be no more schools approved for federal student aid and GI Bill that are ripping off veterans – and taxpayers – for worthless degrees.”

Veterans who need support filling out their applications can find free legal help at Veterans Education Success: Help@VetsEdSuccess.Org

Background:

- Veterans Education Success has been at the forefront of advocacy for student veterans. The group played a key role in pushing for the Department of Education to improve loan forgiveness for students defrauded by for-profit colleges. The Department is preparing to announce regulations imminently to improve the "borrower defense" program, and Veterans Education Success played a role in crafting the revised regulations during negotiated rulemaking (formal public input).
- Veterans Education Success has helped thousands of student veterans victimized by for-profit colleges, including over 180 complaints about Corinthian schools. Wofford's group helps them apply for the "borrower defense" relief being granted today and other rights.
- Veterans Education Success has been a strong voice showcasing the need to help veterans who have been scammed by Corinthian and scores of other for-profit schools who preyed on veterans for their GI Bill benefits, leaving them with worthless degrees and untransferable credits.

Department of Education & Borrower Defense

Including this group discharge, the Department has now approved \$25 billion in loan forgiveness for 1.3 million borrowers. This includes:

- \$7.9 billion for 690,000 borrowers whose institutions took advantage of them through discharges related to borrower defense and school closures.
- \$6.8 billion for more than 113,000 borrowers through Public Service Loan Forgiveness (PSLF).
- More than \$8.5 billion in total and permanent disability discharges for more than 400,000 borrowers.

The Department also recently announced fixes to long-standing problems in income-driven repayment that will help thousands of borrowers receive forgiveness through that program as well as 40,000 borrowers who receive PSLF.

The Department is also working on new regulations that will permanently improve a variety of the existing student loan relief programs, significantly reduce monthly payments, and provide greater protections for students and taxpayers against unaffordable debts.

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