

For Immediate Release: August 16, 2022

Reaction from Veteran Advocacy Org - Veterans Education Success

Huge Win for Student Veterans & Other Students Borrower Defense Relief News - Department of Education Decision Today

The Department of Education announces automatic loan forgiveness for 208,000 students, including veterans, who were unfairly saddled with overwhelming debt after attending ITT Tech.

WASHINGTON D.C., August 16, 2022 – The Department of Education announced that students who took out loans to attend ITT Technical Institute (from 2005 to its closure in September 2016) will have their federal student loans discharged without the need to file an application for discharge.

“The students trusted the school. They also trusted the system that allowed ITT to operate and qualify to receive federal student aid. These students deserve to have their student loans canceled after having been so misled about the education at ITT, the transferability of credits, and employment after graduation,” said Della Justice, Vice President of Legal Affairs at Veterans Education Success.

“But it is a total shame that veterans who were cheated out of their GI Bill benefits will not get their GI Bill back.” Under current law, GI Bill beneficiaries have no rights to GI Bill restoration if they were defrauded; they do, however, have closed-school rights to GI Bill restoration if their school shuttered and they were enrolled within 120 days of the school closing. “We call on Congress to restore GI Bill benefits to defrauded veterans.”

Veterans Education Success provided free legal assistance over several years to veteran Tasha Berkhalter, who spoke at this morning’s Education Department announcement. “[ITT recruiters] were very convincing,” said Berkhalter. “I was too trusting. I just wanted to go to school. But my credits would not transfer to other schools, and the books we were using were outdated. ITT Tech wasn’t ‘high tech’ at all. The GI Bill did not fully cover my tuition, and I was forced to take federal and personal student loans on top of the GI Bill. My loans reached a total of \$100,000...” stated Berkhalter. Berkhalter attended ITT Tech from 2006-2010 after serving 5 years in the Army and received a loan discharge under a prior announcement.

Student veteran Brian Whitehead, who attended ITT Tech from 2006-2008 after serving in the Army from 2000-2005, will receive a loan discharge as a result of today’s

announcement. “When the school recruited me, they told me that 90% of its graduates were guaranteed jobs right out of the gate, with average salaries starting around \$60-\$70,000 a year. That was not true...Right now, I have a job that I got because of the skills I’d learned in the military. Not because of that degree from ITT,” states Whitehead.

We also applaud the Department’s announcement today that it will hold DeVry accountable for the amount of the loans discharged of DeVry students who were the victims of widespread misrepresentations about job placement rates. “When a school continues to operate, it is important that neither taxpayers nor students bear the burden of corporate greed and fraud,” said Justice.

Veterans who have questions can contact Veterans Education Success for free assistance at Help@VetsEdSuccess.org

INFORMATION ABOUT VETERANS EDUCATION SUCCESS’ SUPPORT OF VETERANS WHO ATTENDED ITT TECH

- Veterans Education Success had received over 500 complaints from ITT Tech student veterans when we published [our report](#) in April 2020 about misconduct and illegal practices at ITT Tech.
- We continue to receive complaints regularly from ITT Tech students even six years after the school closed.
- The most common issue our students report is the inability to transfer credits. 37% of all student complaints reported that ITT Tech lied about or misrepresented the transferability of its credits. Students were falsely told time and again that “a degree is a degree” and that all degrees are treated the same. Some students were even falsely promised that their credits would transfer to the local community college or state university of their choice.
- Over one-third of the student veterans who contacted Veterans Education Success about ITT Tech complained that the school had taken out student loans on their behalf, often without the student’s knowledge.
 - This problem is compounded when students with loans are unable to find work in their field that even comes close to what ITT Tech promised them when they enrolled.
- Over 30% of complaints included allegations of deception and misrepresentation from ITT Tech employees during the recruitment and enrollment process.

- These complaints include students who alleged that recruiters lied to them about some of the other topics discussed in our report, such as their post-graduation employment opportunities. Complaints also allege other lies that were used to get the students to commit to the school.

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 defrauded students . The Department has announced proposed regulations 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 who were victims of fraud in higher education.
- Veterans Education Success has been a strong voice showcasing the need to help veterans who have been scammed by ITT Tech and scores of other schools who preyed on veterans for their GI Bill benefits.

###