

Email subject: NEWS: Major Step Forward in Justice for Veterans - Student Veteran Benefit Restoration Bill Drops

FOR IMMEDIATE RELEASE

Contact: Ana Cobian (323)360-1827
ana.cobian@wardcirclestrategies.com

**“Major Step Forward in Justice Long Overdue for Student Veterans”
as New Bill: *Student Veteran Benefit Restoration Act* Drops**

*House Veterans Affairs to Hold Thursday Hearing on
“Student Veteran Benefit Restoration Act”*

*A Critical First Step to Enable Scammed Veterans to Restart their Education,
Go to College, Get Training, or Attend Graduate School*

WASHINGTON, DC - MAR. 28, 2023—Veterans who were scammed by predatory colleges out of their hard-earned GI Bill benefits will have an opportunity to have benefits they were promised restored under a new bill, H.R. 1767, the *Student Veteran Benefit Restoration Act*, introduced by Rep. Delia Ramirez (IL-03). Veterans Education Success, a national nonprofit organization dedicated to protecting veterans’ access to GI Bill benefits and other federal education programs, applauded the introduction of the bill.

"This bill represents justice long overdue for student veterans," said **Carrie Wofford, President of Veterans Education Success**. "It has been so profoundly unfair that veterans who were robbed of their GI Bill by predatory scam schools have been left out in the cold, with no recourse and no ability to start again at a real college to use the benefits they earned serving our nation."

While some veterans who were defrauded by predatory colleges have had student loans forgiven in recent years by the U.S. Department of Education—under separate authority unrelated to the GI Bill—veterans have not been able to get back their veterans’ education benefits. Currently, the U.S. Department of Veterans Affairs has no statutory authority to restore veterans' Post-9/11 GI Bill and other education benefits when the government has evidence of fraud. Even when the government recovers GI Bill funds from the fraudulent institutions, veterans do not see a dime of the recovered GI Bill funds; instead, the funds go to the U.S. Treasury.

A hearing—the first ever for a bill that makes these changes—in the House Veterans Affairs Committee’s Subcommittee on Economic Opportunity is scheduled for Thursday, March 30, at 9:30 a.m. in the Cannon House Office Building.

“Student veterans want their GI Bill benefits back so that they can get the education and the opportunities they were promised,” **Della Justice, Vice President for Legal Affairs at Veterans Education Success** said. “Americans want to support the troops and the veterans, but we have shamefully let them down when it comes to restoring the benefits they were robbed of. The veterans relied on their schools’ approval from the Department of Education and the VA. It is only right that Congress enact a law to give veterans back their GI Bill benefits.”

AVAILABLE FOR INTERVIEWS:

- **Legal expert from national non-profit Veterans Education Success and former Assistant Attorney General for Kentucky, [Della Justice](#)**, who led multi-state investigations into some predatory for-profit colleges, and now helps lead the fight at the nation’s top student veteran protection nonprofit, Veterans Education Success, which is dedicated to protecting veterans from being scammed out of their GI Bill benefits by predatory colleges.
- **Navy veteran Bryan Tario in Lisle, IL.** “DeVry was never clear about the amount of money it would cost for my education, and with my GI Bill shouldn’t have totaled \$40,000 which is what I am stuck paying,” “I could have gone and paid out of pocket to any other school. I feel totally ripped off and feel cheated that my GI Bill didn’t seem to cover my education, which was the main reason I joined the service. To avoid school debt.”
- **Army veteran Brian Whitehead in Lilburn, GA.** “Since graduating, I have never been able to get a job in my field.” “I repeatedly sought help from ITT Tech’s career services department with resumes, applications, and leads, but I never got any help from them. I applied for jobs in my field for a while, but I never heard back about any. I was unemployed for over three years after graduating, and none of the jobs that I have worked since then have been at all related to my degree. I am employable because of the skills I learned in the military, not because of my education.”

More information on this issue and others facing veterans trying to access their earned benefits and avoid being scammed by unscrupulous schools is available below and at <https://vetsedsuccess.org>.

Additional Information:

Defrauded Veterans Eligible for Student Loan Forgiveness but Still Denied Any Way to Reinstate Scammed-away GI Bill Benefits

Student Loan Forgiveness at the U.S. Department of Education Does Not Give Veterans Back Their GI Bill

- The U.S. Department of Education has forgiven the student loans of hundreds of thousands of defrauded students under the "Borrower Defense to Repayment" program, which was established in 1994.
- Most recently, the [Sweet v. Cardona](#) lawsuit settlement canceled at least \$6 billion in federal loans under the program for approximately 200,000 students alleging they were defrauded by their schools.
- Despite the reimbursement of student loan payments and forgiveness of outstanding student loans, veterans are still not eligible to reclaim their GI Bill benefits that had been taken by the predatory schools.

Examples of Lack of Protection for Veterans Using GI Bill Benefits

There are multiple examples of how this lack of protection has left veterans out in the cold.

- The schools under the most law enforcement action tend to dominate the GI Bill. [6 of the 10 schools getting the most GI Bill money from Fiscal Year 2009 through 2017 were all under law enforcement action](#) for defrauding students (including University of Phoenix, DeVry, ITT Tech, EDMC (now closed due to fraud), and Career Education Corporation (now called Perdoceo Education Corporation) schools.

Even when the federal government recovered or seized funds from the institutions, veterans did not get a dime back of their GI Bill. For example:

- House of Prayer - the U.S. Department of Justice [seized the bank accounts](#) of the House of Prayer ([brought to the VA's attention](#) by Veterans Education Success) because veterans were being cheated out of their GI Bill and abused by an alleged religious cult leader.
- Retail Ready Career Center - the U.S. Department of Justice recouped more than \$150 million from [Retail Ready Career Center](#) and sent the owner to jail for 19 years after he had swindled thousands of veterans, taking their GI Bill but not educating them and taking their housing allowance but then forcing them to live in substandard migrant housing.

How Many Veterans Would This Help?

One way to count how many veterans would be helped by this legislation is to look at how many student loan borrowers are getting loan relief from the U.S. Department of Education because of fraud by their schools:

- More than 200,000 students with pending "borrower defense" applications to ED for loan forgiveness [won a court victory last month. Sweet v. Cardona, and ED is now](#)

[forgiving their loans.](#)

- Last year, the Department of Education [forgave the loans of every student who attended ITT Tech](#) from January 1, 2005, through its closure in September 2016, due to widespread evidence of fraud. Notably, the Department forgave all the loans for ITT even if the students had not applied for loan relief. The number of students was 208,000 and the cost was \$3.9 billion.
- The U.S. Federal Trade Commission (FTC) sued the University of Phoenix for defrauding students and [got \\$191 million](#) in a settlement in the form of loan relief or refunds to [nearly 150,000 students.](#)
- FTC also [sued DeVry for defrauding students and secured \\$100 million in a settlement](#) for all students enrolled in a bachelor's or associate's degree program between January 1, 2008 and October 1, 2015, because all had been defrauded by DeVry's false promises of job placement.
- Colorado Tech University, American InterContinental University, and Trident University (as well as the now-closed Sanford Brown College) are owned by Perdoceo Education Corporation (formerly Career Education Corporation), which was sued by all 50 states for massive fraud against students. The states [won nearly \\$500 Million for 179,000 students.](#)
 - FTC also sued for the company's use of deceptive lead generation companies and [won \\$30 million.](#)
 - Perdoceo/Career Education Corporation is a [major GI Bill recipient.](#)

###