June 18, 2019

The Honorable Betsy DeVos Secretary U.S. Department of Education 400 Maryland Ave, SW Washington, DC 20202

Dear Secretary DeVos:

We write today to seek the status of each borrower defense group discharge application submitted by State attorneys general and urge you to provide full borrower defense discharges to qualified borrowers covered by these group applications.

According to data recently provided by the Department of Education (Department), attorneys general of 20 states have submitted group discharge applications on behalf of defrauded borrowers in their states.<sup>1</sup> These applications cover students who attended American Career Institute, Anthem University, Corinthian Colleges, Inc., Globe University and Minnesota School of Business, Kaplan University, Lincoln Technical Institute, and Westwood College.<sup>2</sup> Earlier this month, Attorney General Kwame Raoul of Illinois and Attorney General Phil Weiser of Colorado submitted group discharge applications on behalf of Illinois Institute of Art and Art Institute of Colorado students who were misled about their institutions' accreditation status.<sup>3</sup>

The applications rely on findings made by the Department itself or supporting evidence, collected and provided by State attorneys general as part of the application, establishing the group's eligibility for federal loan discharge under the borrower defense provision of the Higher Education Act. In addition, State attorneys general have often already done the exacting work of assembling enrollment and contact information of borrowers within the groups—streamlining administrative processes for the Department and making these loans particularly easy to discharge.

<sup>&</sup>lt;sup>1</sup> California, Connecticut, Delaware, District of Columbia, Hawaii, Illinois, Iowa, Kentucky, Maine, Maryland, Massachusetts, Minnesota, Mississippi, New Mexico, New York, Oregon, Pennsylvania, Virginia, Washington, Wissonsin

<sup>&</sup>lt;sup>2</sup> See attached. U.S. Department of Education. Agency Response to Questions for the Record submitted by Senator Durbin to the Senate Committee on Appropriations Subcommittee on Labor, Health and Human Services, Education and Related Agencies. Hearing on the Fiscal Year 2020 Budget Request for the U.S. Department of Education. May 08, 2019.

<sup>&</sup>lt;sup>3</sup> Letter from Illinois Attorney General Kwame Raoul and Colorado Attorney General Phil Weiser to U.S. Department of Education. (June 3, 2019). *Loan Discharge for Illinois Institute of Art and Art Institute of Colorado Students.* 

http://www.illinoisattorneygeneral.gov/pressroom/2019\_06/Letter\_to\_ED\_Re\_Group\_Discharge\_for\_Illinois\_Institute of Art and Art Institute\_Coloradostudents.pdf

Despite this, you have inexcusably failed to review and respond to these group applications.<sup>4</sup> In a recent decision in *Williams v. DeVos*, a federal district court found that you must review group discharge applications submitted by State attorneys general and that you must cease all involuntary collection activities against borrowers covered by State attorney general group discharge applications.<sup>5</sup> Please provide an update on the status of each of the group discharge applications submitted by State attorneys general.

In addition to your failure to respond to group discharge applications from State attorneys general, you are forcing at least 158,110 borrowers with pending borrower defense claims to languish without decision.<sup>6</sup> These borrowers have been waiting an average of 882 days each.<sup>7</sup> In fact, it has been nearly one year since the Department publicly reported any borrower defense approvals.<sup>8</sup>

It is time for your cruel delays to end and for you to provide federal student loan discharges to which defrauded borrowers are entitled under the law; the courts have ordered it, students are begging for it, Congress expects it, and justice demands it.

Sincerely,

Richard J. Durbin

United States Senator

Patty Murray

United States Senator

Elizabeth Warren United States Senator Richard Blumenthal United States Senator

<sup>&</sup>lt;sup>4</sup>Letter from Illinois Attorney General Kwame Raoul to U.S. Department of Education. (June 3, 2019). http://www.illinoisattorneygeneral.gov/pressroom/2019\_06/Letter\_to\_ED\_Re\_Group\_Discharge\_for\_Westwood\_and\_Corinthian.pd

<sup>&</sup>lt;sup>5</sup>Williams v. DeVos, 2019 U.S. Dist. Lexis 78231. Decided May 9, 2019.

<sup>&</sup>lt;sup>6</sup> U.S. Department of Education. (2018). *Borrower Defense to Repayment Report.* Retrieved from: https://studentaid.ed.gov/sa/about/data-center/student/loan-forgiveness/borrower-defense-data

<sup>&</sup>lt;sup>7</sup> U.S. Department of Education. Agency Response to Questions for the Record submitted by Senator Durbin to the Senate Committee on Appropriations Subcommittee on Labor, Health and Human Services, Education and Related Agencies. Hearing on the Fiscal Year 2020 Budget Request for the U.S. Department of Education. May 08, 2019.

<sup>&</sup>lt;sup>8</sup> U.S. Department of Education. (2018). *Borrower Defense to Repayment Report.* Retrieved from: https://studentaid.ed.gov/sa/about/data-center/student/loan-forgiveness/borrower-defense-data

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Sherrod Brown United States Senator Edward J. Markey
United States Senator

Tammy Duckworth United States Senator

Christopher S. Murphy United States Senator Robert P. Casey, Jr.
United States Senator

Kamala D. Harris United States Senator

Ron Wyden

United States Senator

Dianne Feinstein United States Senator

Chris Van Hollen United States Senator Tammy Baldwin
United States Senator

Tim Kaine

United States Senator

Tina Smith

United States Senator

Mazie K. Hirono

Michael F. Bennet United States Senator

Amy Klobuchar

United States Senator

United States Senator

Benjamin L. Cardin United States Senator

Brian Schatz

United States Senator

Kirsten Gillibrand
United States Senator

Durbin Question 6.4

## Submissions by Attorneys General Seeking Relief for Constituents

SCHOOL/SCHOOL GROUP	DIPLOMA PROGRAM(S) IF APPLICABLE	ATTORNEY GENERAL	STATE	SUBMISSION DATE
American Career Institute		Maura Healy	Massachusetts	• 7/20/2016 • 7/26/2016 • 8/3/2016 • 8/12/2016 • 11/16/2016 • 11/23/2016
Anthem University		Lori Swanson	Minnesota	• 5/3/2016 • 7/22/2016 • 10/19/2016 • 2/13/2017 • 4/4/2017
Corinthian Colleges, Inc. Corinthian Colleges, Inc.		Maura Healy Brad Schimel	Massachusetts Wisconsin	• 11/30/2015
Corinthian Colleges, Inc.	<ul> <li>Dental Assistant</li> <li>Electrician</li> <li>Massage Therapy</li> <li>Medical Administrative Assistant</li> <li>Medical Assistant</li> <li>Medical Insurance Billing and Coding</li> <li>Pharmacy Technician</li> </ul>	Lisa Madigan	Illinois	• 12/16/2016
Corinthian Colleges, Inc.		Bob Ferguson	Washington	• 12/20/2016

• 6/5/2017	• 6/7/2016	• 5/6/2016 • 5/31/2016	• 1/14/2016	• 12/13/2016
Illinois Washington Massachusetts California Connecticut Delaware Hawaii Iowa Kentucky Maryland Maine Minnesota Minnesota Mississippi New York Oregon Pennsylvania Virginia District of Columbia	Minnesota	Massachusetts	Massachusetts	Illinois
Lisa Madigan Bob Ferguson Maura Healy Xavier Becerra George Jepsen Matthew Dean Douglas Chin Tom Miller Andy Beshear Brian E. Frosh Janet T. Mills Lori Swanson Jim Hodd Hector Balderas Eric T. Schneiderman Josh Shapiro Mark R. Herring Karl A. Racine	Lori Swanson	Maura Healy	Maura Healy	Lisa Madigan
Submission for discharge for students enrolled at programs covered by the Department's job placement rate misrepresentation findings.		Medical Assistant     Medical Billing and Coding	Criminal Justice	Criminal Justice
Corinthian Colleges, Inc.	Globe University & Minnesota School of Business	Kaplan University	Lincoln Technical Institute	Westwood College