



PRESS RELEASE

AGs to U.S. Department of Education Secretary DeVos: Stop delaying student loan forgiveness

Baltimore, MD (June 5, 2017) – Maryland Attorney General Brian E. Frosh is demanding that the U.S. Department of Education end extended delays in its program to cancel federal student loans for thousands of students in Maryland who were victimized by predatory for-profit colleges.

Former Corinthian Colleges Inc. students are experiencing delays in review and approval of their loan cancellation applications. About 27,000 students nationwide who have already been approved for loan forgiveness have yet to see their loans discharged. Some students are nearing the end of 12-month forbearances on their loans, and face restarting monthly payments on debts that should be canceled.

“Students who were tricked into attending Corinthian Colleges based on fabricated statistics and the promise of a well-paying job should not be burdened by lifelong student debt,” said Attorney General Frosh. “We will continue our fight to ensure that these students get the appropriate debt relief they deserve.”

In the [June 5 letter](#) to U.S. Secretary of Education Betsy DeVos, Attorney General Frosh urges the Department of Education to review the mounting applications and work to timely finalize the discharge of loans where forgiveness has already been approved. Attorney General Frosh signed the letter and was joined by Attorneys General from California, Connecticut, Delaware, the District of Columbia, Hawaii, Illinois, Iowa, Kentucky, Maine, Minnesota, Mississippi, New Mexico, New York, Oregon, Pennsylvania, Virginia, and Washington.

The letter presses DeVos to provide information on what the department is doing to rectify the growing backlog of applications, and to provide a timeframe for discharge of the student debt. In addition, since the Department of Education has already determined that these students are eligible for loan forgiveness, the letter urges DeVos to abandon the application process and automatically discharge all eligible loans.

After intense scrutiny by various government entities, for-profit Corinthian Colleges abruptly ceased operations in 2015. Corinthian owned and operated campuses in Maryland under the brand of Everest College, and also enrolled Maryland students in online courses.

The Department of Education found that while it was operating, Corinthian made widespread misrepresentations between 2010 and 2014 about post-graduation employment rates for certain programs at its campuses.

About 1,900 Maryland residents who attended programs at Corinthian schools received a letter in April explaining that they are eligible for streamlined federal student loan cancelation based on the Department of Education's findings. The students were directed to fill out a short application for the Department of Education.

The students were notified as part of a bipartisan effort by 47 attorneys general across the country to inform more than 100,000 former Corinthian students that they are eligible for streamlined loan cancelation.

"Relieving these hard-working Americans of their fraud-induced student debt will free them to participate more fully in their local economies, or even continue their educations with reputable schools," the letter explains.