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PRESS RELEASE

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Attorney General Frosh Seeking Relief for Student Loan Borrowers

BALTIMORE, MD (April 28, 2022) – Maryland Attorney General Brian E. Frosh today, together with five other attorneys general, called on the U.S. Department of Education to cancel the federal student loan debt of thousands of students, including students in Maryland, who attended schools operated by the for-profit company Education Corporation of America (ECA).

The [Borrower Defense Application](#) submitted today seeks relief for student loan borrowers of ECA due to alleged misrepresentations to students regarding its accreditation status, its efforts to obtain a new accreditation, and its broken promises to students, including its promise of lifetime career counseling. ECA also did business as Brightwood Career Institute, Virginia College, Ecotech, and the Golf Academy of America.

Accredited schools must meet defined standards of quality from an outside accreditor. Without accreditation, schools do not qualify for Title IV federal student aid programs that serve as a key source of revenue. ECA’s accreditor was decertified in 2016. The company then attempted – and failed – to obtain a new accreditor. ECA consistently downplayed its suspect accreditation status and overestimated the likelihood that it would obtain new accreditation.

Throughout this time, ECA also recruited students and promised them education and career counseling services. ECA further victimized these students by failing to provide those services and abruptly closing its campuses in December 2018.

Federal law permits the Department of Education to forgive federal student loans when borrowers were deceived in obtaining loans. In today’s application, the attorneys general urged the Department of Education to provide “full relief to ECA students, including refunds of the money students already paid on those loans.”

In Maryland, approximately 910 borrowers who attended ECA schools from June of 2016 through December of 2018 owe approximately \$991,000 in federal student loans.

“The loans that these students obtained to attend ECA schools should be canceled,” said Attorney General Frosh. “After years of enrolling students despite its failure to obtain

accreditation, ECA abruptly closed its campuses, leaving students with thousands of dollars in debt and without a quality education.”

Attorney General Frosh is joined in this letter application by the attorneys general of Alabama, California, Colorado, Pennsylvania, and Virginia.

<https://www.marylandattorneygeneral.gov/press/2022/042822.pdf>