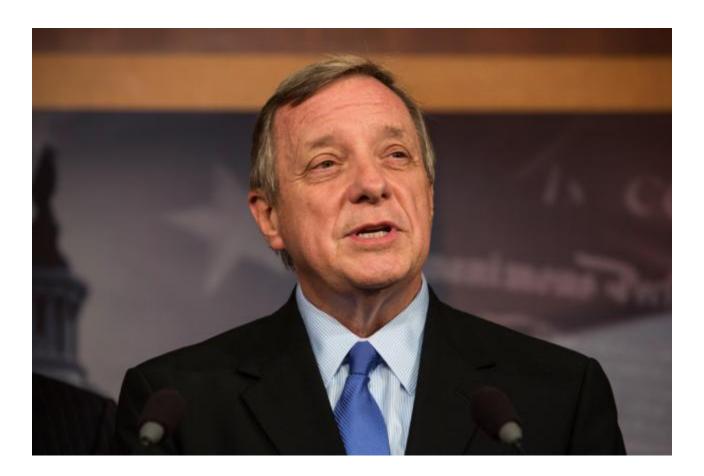


## Durbin reintroduces bill to give students defrauded by for-profit colleges their day in court

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**WASHINGTON** – U.S. Senator Dick Durbin (D-IL) has reintroduced legislation designed to strengthen students' ability to hold for-profit colleges accountable in court for their misconduct. The *Court Legal Access & Student Support (CLASS) Act* prohibits any school receiving Title IV student aid funding from placing restrictions on students' ability to pursue legal claims, individually or with others, against higher education institutions in court.

The CLASS Act aims to end the strategic use of mandatory arbitration and class action waiver clauses in enrollment agreements by for-profit colleges. Legitimate non-profit colleges and universities do not include mandatory arbitration clauses in their enrollment agreements, but these clauses are a hallmark of the for-profit college industry. If this bill had been law in the last several years, many students defrauded by Corinthian Colleges and other now-defunct for-profits would have been able to seek redress directly from their school instead of being forced to seek relief from the taxpayers for their student debts.

"Mandatory arbitration clauses hurt students and families, leaving them little to no legal recourse to hold schools accountable if they are defrauded. It's no surprise that the institutions that rely on these clauses are more profit than education," said Durbin. "The CLASS Act would deny Department of Education student aid dollars to institutions that use fine print to keep students from having their day in court."

Durbin's legislation is cosponsored by Senators Al Franken (D-MN), Sheldon Whitehouse (D-RI), Elizabeth Warren (D-MA), Jack Reed (D-RI), Sherrod Brown (D-OH), Richard Blumenthal (D-CT), and Mazie Hirono (D-HI). The CLASS Act is supported by groups including the American Association for Justice, the Center for Justice & Democracy, the Center for Responsible Lending, Citizen Works, Consumer Action, Consumer Federation of America, Consumers for Auto Reliability and Safety, Consumers Union, the National Association for College Admission Counseling, the National Association of Consumer Advocates, the National Consumer Law Center (on behalf of its low income clients), the National Consumers League, the National Employment Lawyers Association, Public Citizen, The Institute for College Access and Success, and U.S. PIRG.

Earlier today, Senator Durbin joined his House and Senate colleagues and Americans affected by forced arbitration, including former Fox News anchor Gretchen Carlson, to push for legislation to end the use of mandatory arbitration and truly hold companies accountable.

You can watch the full press conference below or click <u>here</u>.