



Durbin grills DeVos about student debt crisis

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WASHINGTON – U.S. Senate Democratic Whip Dick Durbin (D-IL) today grilled Education Secretary Betsy DeVos about spending cuts proposed in President Donald Trump’s budget that would deepen the nation’s trillion dollar student debt crisis and policies that would give predatory for-profit colleges free rein to continue defrauding vulnerable students. During a hearing of the Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Durbin explained how the Trump budget would increase Americans’ student loan burdens.

“When I look at the Trump budget, the one that you’ve brought before us today, I can find no relief for students who are facing this debt. In fact, the opposite is true,” said Senator Durbin. **“When you freeze the Pell grant, you require students to borrow more money to complete their education. When you cut the federal work-study program, you eliminate an opportunity for students to reduce their debt by working, by getting their education and working. When you increase the interest payments that are going to be paid by students over ten years by \$38 billion dollars, in other words, accumulating interest payments while they’re in school – with subsidized student loans we don’t do that to them now, but the new Trump budget does – it means a greater debt at the end of the day.”**

Durbin also raised serious questions about the Trump Administration’s oversight of predatory for-profit colleges, noting that the Department of Education’s recent actions have raised doubts as to whether it will enforce existing regulations that protect students and taxpayers. DeVos’ testimony comes as reports indicate the Department is considering delaying important regulatory protections for students and taxpayers including Gainful Employment and Borrower Defense.

“The most heavily subsidized for-profit companies in America today are for-profit colleges and universities. Eighty to ninety percent or more of their revenue comes

directly from the federal treasury. These are not crafty entrepreneurs; they are people who have learned how to game the government. And the only protection taxpayers have is in your hands,” he told DeVos. “And yet when we look at your policies when it comes to these for-profit colleges and universities, they’re troubling -- from the hiring of your counsel...directly from that industry, to raising questions as to whether you’re going to police the ranks of those schools that are exploiting students across the United States and continue to, whether it’s a question of Gainful Employment so students don’t get so deeply in debt they don’t have a chance to pay back their student loans, the defrauding of students by these schools that’s been shown over and over again. The question is what are you going to do about this?”

Secretary DeVos did not provide a response on how she would protect students and taxpayers from for-profit colleges.

Video of Durbin’s remarks before the subcommittee are available [here](#).

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In March, Senator Durbin, along with Senators Patty Murray (D-WA), and Elizabeth Warren (D-MA), [called on](#) Secretary DeVos to explain the Department’s decision to delay the implementation of the Gainful Employment (GE) rule, which requires career training programs to provide students with reasonable return on their educational investment – good-paying jobs that allow them to repay their student debt. In May, Durbin, along with Senators Murray, Chuck Schumer (D-NY), Sherrod Brown (D-OH), and Warren, [wrote](#) to Secretary DeVos about relief for students who have been victims of for-profit colleges including Corinthian, ITT Tech, and Westwood College.