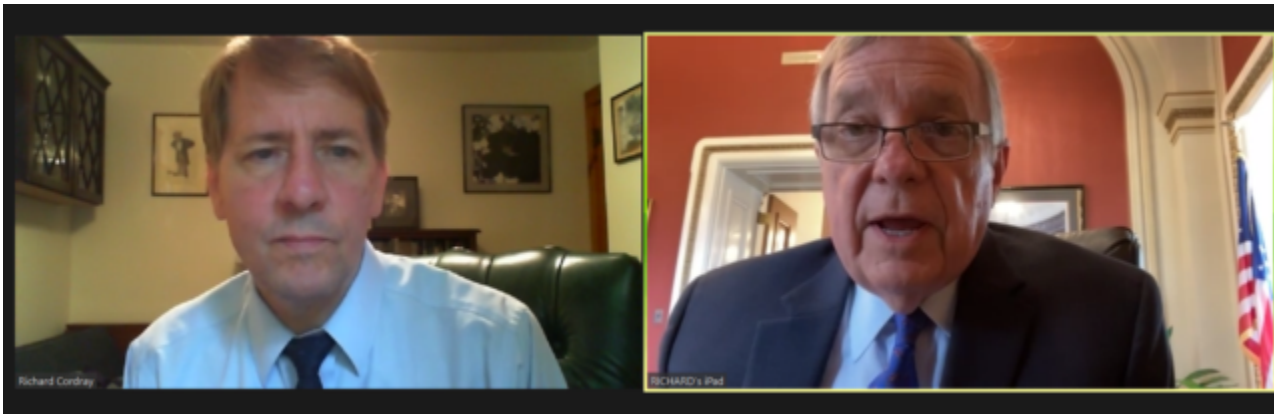


# **Durbin Talks For-profit Colleges, Student Debt With Federal Student Aid COO**

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WASHINGTON, D.C. – U.S. Senate Majority Whip Dick Durbin (D-IL) today met virtually with Chief Operating Officer of Federal Student Aid Richard Cordray to discuss protecting students from predatory for-profit colleges and student loan bankruptcy. On the call, Durbin received an update about the Biden Administration’s efforts to reverse damaging policies enacted during the Trump Administration. Cordray noted that the Department will soon be considering revisions to the borrower defense rule that would improve students’ ability to receive relief when they are defrauded, including banning mandatory pre-dispute arbitration in student enrollment agreements. Durbin also urged Cordray to help those drowning in student loan debt by changing the Department’s policy on challenging student borrower claims of undue hardship in bankruptcy court.

Under the Trump Administration, the Department of Education eliminated the gainful employment rule, abolished the Department of Education’s Enforcement unit, gutted protections for students in a rewritten borrower defense rule, and failed to process

borrower defense claims for years. When it did begin processing claims, the Trump Administration's Department of Education reduced the backlog to 80,000 claims by issuing blanket denials despite many of the claims likely being legitimate.

"I'm encouraged by the new leadership within the Department of Education and the Federal Student Aid Administration," said Durbin. "In my meeting with Mr. Cordray today, I made it clear that this Administration should do right by students, especially students left in the backlog of borrower defense claims. I reiterated that policy changes must be met with enforceable action so that students can rest easy knowing the government is on their side and not beholden to predatory for-profit institutions."