

Attorney General Raoul Announces Department Of Education Will Discharge \$16 Million In Federal Student Loans For Former Students Of Westwood College

July 9 2021 4:45 PM



CHICAGO– Attorney General Kwame Raoul today applauded the U.S. Department of Education for its decision to discharge \$16 million in federal student loans for Illinois borrowers who attended Westwood College's criminal justice programs. The

department's decision was based on evidence provided by Raoul's office, which confirmed that Westwood misrepresented students' ability to become police officers in Illinois and to transfer credits to other schools.

"Westwood College defrauded and took advantage of students who believed that the school's criminal justice program would help them serve their communities as police officers," Raoul said. "The Department of Education's acknowledgement that defrauded students should not face a lifetime of debt is a welcome start to addressing the student loan crisis. I appreciate the department's decision, and I will continue to work to hold accountable institutions who defraud students."

Based on evidence provided by Raoul's office, nearly 500 Illinois borrowers will receive approximately \$16 million in loan discharges. Nationally, the Attorney General' s investigation contributed to the department granting more than 1,600 claims resulting in approximately \$53 million in loan discharges.

In 2012, the Attorney General's office filed a lawsuit against Westwood alleging the college misrepresented the ability of Westwood criminal justice graduates to become police officers in Illinois, and misrepresented students' ability to transfer Westwood credits to other schools. The lawsuit also alleged Westwood issued private student loans in order to maintain the Department of Education's approval to receive federal student loan proceeds, despite knowing that students could not repay them. After three years of litigation, the school closed its doors nationally and forgave over \$15 million in private student loans in a settlement with the Illinois Attorney General's office.

Following the school's closure, the Attorney General's office continued to pursue relief for defrauded students, submitting evidence obtained in its investigation to the Department of Education and applying for all students who attended Westwood's criminal justice program in Illinois to have their federal student loans discharged. The Attorney General's office also urged the Department of Education to discharge loans and shared additional evidence with the department as requested. Additionally, Raoul's office, along with U.S. Sen. Dick Durbin and the Colorado Attorney General's office, exposed fraud at Westwood and continued to advocate for borrower relief.

The Illinois Attorney General's office has long been a national leader in investigating and enforcing consumer protection violations in the higher education field. In May, legislation initiated by Raoul that ensures student loan borrowers are informed about private student lending options was passed unanimously by the Illinois General Assembly. House Bill 2746, Know Before You Owe, is a first-in-the-nation measure designed to protect borrowers from private loans like those peddled by Westwood. The legislation was enabled by Raoul's rollout of the state's first Student Loan Ombudsman, a position created to provide resources for student borrowers who are struggling to make student loan payments. Since 2019, Raoul's office has discharged more than \$14 million in fraudulent private student loans.

Student borrowers who have questions or are in need of assistance can call the Attorney General's Student Loan Helpline at 1-800-455-2456.