



Durbin Releases Statement On Department Of Education's Group Discharge Of Student Borrowers Who Attended Now-shuttered Corinthian Colleges

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SPRINGFIELD – U.S. Senate Majority Whip Dick Durbin (D-IL) today released the following statement after the Department of Education announced the widespread discharge of all remaining federal student loans for those who attended any campus owned or run by the predatory Corinthian Colleges:

“The day after Corinthian collapsed in April 2015, I stood in front of a Corinthian school in Chicago with then-Illinois Attorney General Lisa Madigan to call on the Department of Education to issue widespread relief to the students who had been scammed out of meaningful education and left with debt. I reminded the Department that these students should not be left holding the bag.

“Today, nearly eight years later, the Department took action on behalf of more than 26,000 Illinois students, offering \$226 million in forgiveness. After being wrongfully exploited by Corinthian, these students are finally seeing the long over-due relief they deserve.”

The Department of Education's decision will provide \$5.8 billion in relief through group discharge for 560,000 borrowers across the country. This relief will cover all borrowers who attended any Corinthian Colleges school from 1995 to its collapse in 2015, making this the largest loan discharge the Department has ever made. Due to Corinthian Colleges' systemic abuse and fraud, the group discharge will apply to all borrowers, including those who did not submit a borrower defense claim.

At the time of Corinthian Colleges' closure, the for-profit college was receiving taxpayer dollars by participating in the federal Title IV program and still enrolling new students in several states. Corinthian was under investigation by the Securities and Exchange Commission, the Department of Justice, and more than 20 state Attorneys General, including in Illinois, for using misleading job placement rates and predatory marketing tactics. They were sued by the Consumer Financial Protection Bureau and the state Attorneys General of California, Massachusetts, and Wisconsin for false and misleading advertisements. All the while, the institution raked in more than a billion dollars from taxpayers a year.