



June 27, 2012

---

**MADIGAN, STATES ANNOUNCE SETTLEMENT OVER DECEPTIVE  
EXPLOITATION OF VETERANS' EDUCATION BENEFITS**

***Attorneys General: GIBill.com Deceived Service Members, Veterans Seeking Higher Education***

**Washington** — Attorney General Lisa Madigan today joined several of her counterparts, U.S. senators and federal officials to announce a settlement with a California-based company over allegations that its website, [www.GIBill.com](http://www.GIBill.com), deceptively steered U.S. service members and veterans to use their federal education benefits with the company's preferred clients in the for-profit schools industry.

Madigan and attorneys general in 19 states alleged QuinStreet fraudulently marketed [www.GIBill.com](http://www.GIBill.com) to military service members as a website that was operated or endorsed by the U.S. government or military. Madigan said the site listed "eligible GI Bill schools," which misled visitors to believe the posted schools were the only ones at which veteran benefits could be utilized. In fact, the list consisted only of QuinStreet clients, which were primarily for-profit colleges.

"This company deceptively promoted its website as an unbiased source of information for service members seeking to further their education and career prospects," Madigan said. "But in reality, the site was just a front to steer veterans to for-profit schools intent on siphoning veterans' GI Bill benefits rather than providing the men and women who serve our country with a legitimate education."

As a result of the settlement, Madigan said that the owner of the website, QuinStreet Inc., will pay \$2.5 million to the states and turn over its website to the U.S. Department of Veterans Affairs to establish a legitimate, independent source of guidance for service members and veterans seeking help in applying their benefits to higher education.

Speaking at the National Press Club in Washington, D.C., Madigan made the announcement with several of her counterparts, U.S. Sens. Richard Blumenthal, Barbara Boxer, Dick Durbin and Tom Harkin, as well as Holly Petraeus, assistant director for Servicemember Affairs at the Consumer Financial Protection Bureau and Deputy Secretary Scott Gould of the Department of Veterans Affairs.

"I applaud the state Attorneys General for the settlement announced today to protect servicemembers from misleading and deceptive websites that target their GI Bill benefits. These new consumer protections will help ensure that veterans looking online to learn more about the GI Bill will find accurate information about the benefits they have earned through their service and sacrifices for our country," Petraeus said.

"At VA, it is part of our mission to support and encourage Veterans as they seek higher education. We must ensure that they are adequately and accurately informed about their education options throughout the process," Gould said. "Predatory, aggressive and deceptive marketing directly inhibits our ability to ensure they understand those options. This settlement is a positive step towards ensuring our Veterans have the education opportunities they've earned. VA stands with the states' Attorneys General, and all Americans, in protecting Veterans from predatory, exploitive or deceptive marketing of any service."

Many for-profit colleges have increasingly recruited veterans since Congress' enactment of the Post 9/11 GI Bill in 2008 that made billions of dollars in education benefits available to service members. According to a February 2011 General Accounting Office report, \$9 billion in educational benefits were provided to service members and veterans in fiscal year 2010. A December 2010 survey of 20 for-profit colleges by the U.S. Senate HELP Committee showed that the colleges' revenue from military educational benefits increased from \$66.6 million in 2006 to a projected \$521.2 million in 2010 – a 683 percent increase.

Madigan has been an outspoken critic of the for-profit schools industry. Last month, Madigan and her counterparts sent a letter to Congressional leaders urging them to close the loophole in the Higher Education Act that has allowed many for-profit schools to exploit the education benefits available to American service members, veterans and their families. Earlier this year, she also filed a lawsuit against the national, for-profit Westwood College for engaging in deceptive practices that left Chicago area students with up to \$70,000 each in debt for degrees that failed to qualify them for careers in criminal justice. According to reports, Westwood College collected \$28 million in GI Bill benefits from 2009 to 2011.

In addition to turning over its website to the U.S. Department of Veterans Affairs to operate, the settlement includes these additional terms:

- Social media accounts associated with GIBill.com must be shut down.
- Other QuinStreet military-related sites must contain clear and conspicuous disclosures to clarify the site is not owned or operated by the U.S. government.
- QuinStreet must disclose that schools listed on its other sites are not the only schools that accept GI Bill benefits and must provide links to the Veterans Affairs page for a complete list.
- Other QuinStreet education-related websites must clarify that schools responsive to a consumer's search are advertisers or that they pay to appear on the site.
- QuinStreet must cease claims on its other websites that information presented is "neutral" or "unbiased" or that schools are "top" or "best" unless the information comes from an independent source.
- Other QuinStreet education-related sites must clearly explain the sites are owned by QuinStreet and contain identifying information about the company and its business operations.

Assistant Attorneys General Michele A. Casey and Akeela White handled the case for Madigan's Consumer Fraud Bureau.

-30-

[Return to June 2012 Press Releases](#)



[© 2020 Illinois Attorney General](#)

[Home](#) • [Privacy Policy](#) • [Contact Us](#)