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**MADIGAN CALLS ON VETERANS AFFAIRS TO RESTORE BENEFITS TO
VETERANS DEFRAUDED BY FOR-PROFIT SCHOOLS**

Chicago — Attorney General Lisa Madigan today called on the U.S. Department of Veterans Affairs (VA) to immediately restore federal military educational benefits for student veterans who attended deceptive for-profit schools, including Corinthian Colleges Inc. which operated Everest College campuses in Illinois.

Madigan joined with attorneys general in California, Connecticut, Kentucky, Massachusetts, New Mexico, Oregon, and Washington to send a letter to U.S. Secretary of Veterans Affairs Robert A. McDonald, calling on the Department to restore these benefits for student veterans under the G.I. Bill and the Vocational Rehabilitation and Employment program. In Illinois, Corinthian operated six Everest College campuses until it was forced to close by regulators in 2014.

The attorneys general said many student veterans enrolled in predatory and expensive for-profit schools such as Corinthian based on aggressive marketing tactics and deceptive advertising claims. These schools recruited students under the guise that a degree would qualify them for jobs in their chosen field. Ultimately, however, many students discovered that the schools lacked proper accreditation and as a result, their degrees or credit hours were worthless and not recognized by employers or other higher education institutions. Too often at that point, student veterans had already maxed out their educational benefits.

"Veterans earn educational benefits through their heroic service to our country," Madigan said. "They should not return home and become targets of predatory, bogus colleges whose only interest in our veterans is to profit off them. It's critical that our tax dollars allow student veterans to get a true education and the opportunities it provides."

Madigan's letter also urges the VA to provide student veterans with full and accurate information about the problems that may result if they use their veterans' benefits at misleading, for-profit schools.

Madigan and the attorneys general also offered a number of recommendations to the VA in their joint letter, including:

- **Exercising current federal statutory authority to provide relief to these veterans.** In cases where the VA has authorized the use of benefits contrary to its own governing statutes and regulations, federal law (38 U.S.C. §503) provides the VA discretion to offer equitable relief that would give back to the veterans full eligibility and entitlement to their benefits that they have lost from the schools' conduct. Restoring these benefits would allow the veterans to obtain an education that will help them advance their careers.
- **Triggering Automatic Reviews.** The VA should establish that a review to exercise this discretion will automatically take place in any of the following cases: (1) when the U.S. Department of Education, a state regulatory agency, or a state attorney general takes a regulatory or enforcement action against a school; (2) when a court enters a judgment against a school, or (3) upon application by a veteran or a group of veterans alleging that an education program or college has utilized advertising, sales, or enrollment practices which are erroneous, deceptive, or misleading.
- **Taking Proactive Steps To Provide Full and Accurate Information.** The VA should take proactive steps to guarantee that veterans will be furnished full and accurate information about their education options to prevent them from enrolling in schools that employ aggressive and misleading marketing practices.
- **Increasing Cooperation.** The VA should continue and increase its support of efforts of state regulatory agencies and attorneys general in protecting veterans from misconduct.

For more information on student veteran benefits or for-profit schools, Madigan encouraged consumers to contact her Student Loan Helpline, 1(800) 455-2456 (TTY: 1 (800) 964-3013). The Helpline is answered by trained staff who can assist students and student loan borrowers as they manage their higher education costs. Borrowers can also visit her [website](#).

Attorney General Madigan is a national leader in investigating and enforcing violations of consumer protection laws in the higher education field. She has pursued litigation against national for-profit colleges for fraudulent marketing practices, and she is leading a multistate investigation into the student loan provider Sallie Mae (now Navient). Madigan has also taken [action](#) against an emerging scam that targets people struggling to repay their student loan debt. She has also testified before Congress about the role of states in protecting higher education students that included a call for stronger protections under federal law for student loan borrowers.

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