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MADIGAN URGES DEPARTMENT OF EDUCATION TO FORGIVE LOANS OF FORMER ILLINOIS WESTWOOD & EVEREST COLLEGE STUDENTS

Attorney General Madigan Seeks Immediate Relief for Illinois Students Defrauded by Westwood and Everest Colleges

Chicago — As part of her continued crackdown on fraudulent practices in the for-profit college industry, Attorney General Lisa Madigan today renewed her call to the U.S. Department of Education to forgive the federal student loans of thousands of former Illinois students who attended the criminal justice program at Westwood College. Madigan also has previously urged the Department to discharge the loans of former Illinois students who attended Everest Colleges and enrolled in academic programs where the Department found fraud.

“For-profit Westwood and Everest Colleges fraudulently lured students to enroll in poorly or non-accredited programs that resulted in students taking out millions of dollars in federal student loans,” Madigan said. “The Department of Education has evidence of the schools’ fraudulent conduct, and it should immediately provide relief to these former students by discharging their federal loans.”

Madigan has repeatedly called on the Department to immediately forgive federal loans of students who attended fraudulent for-profit schools. The Department has previously announced an overall plan to forgive the federal loan debt of students who have a defense to repayment, such as students who attended Westwood and Everest Colleges, but only a fraction of those students have seen relief.

Madigan reached a \$15 million settlement with Westwood College in 2015 that forgave private debt owed by students of Westwood’s criminal justice program, after which the college announced its closure. More than 3,600 former Westwood College students in Illinois received an average of more than \$4,200 in relief under the settlement, in addition to the potential federal loan relief called for today.

Madigan’s investigation into Everest, which is operated by Corinthian Colleges, Inc., revealed widespread misrepresentations to prospective students, supporting the Department’s findings. Madigan’s office has found that at least 3,300 and as many as 6,700 Illinois students are eligible for relief under the Department’s findings. Her office has independently verified data for nearly 1,200 former students who are entitled to federal loan forgiveness.

Attorney General Madigan is a national leader in investigating and enforcing consumer protection violations in the higher education field. Madigan is currently leading an investigation into Navient, formerly Sallie Mae, which is the largest servicer of student loan debt in the country. Madigan has testified before Congress and urged the U.S. Department of Education to crack down on the many abuses and scams facing student borrowers.

In addition to her settlement with Westwood College, Madigan reached a settlement with Education Management Corporation (EDMC), which operates five Illinois Institute of Art and Argosy University campuses in Illinois. Madigan was also the first attorney general in the country to take action against a new industry of student loan debt relief scams, which seek out student loan borrowers who are desperate for help to avoid their loans and scam them into paying money to help with their debt. In reality, once these scams take upfront fees from borrowers, they do little work to help them with their payments.

Madigan also created a free Student Loan Helpline to provide student borrowers with free resources about repayment options, avoiding default or to file a complaint about loan servicing at (800) 455-2456 (TTY: 1-800-964-3013). More information can also be found on her [website](#).

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