



Press Releases

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MADIGAN: FORMER CORINTHIAN COLLEGE STUDENTS ELIGIBLE FOR FEDERAL STUDENT LOAN CANCELLATION

Attorney General Madigan Leads Effort to Inform Former Students Misled by the For-Profit School

Chicago — Attorney General Lisa Madigan today led a coalition of attorneys general from 44 states and the District of Columbia in notifying hundreds of thousands of student borrowers across the country who attended schools operated by for-profit Corinthian Colleges Inc. – including Everest Institute, Everest College, Everest University, Heald College, and WyoTech – that they are eligible for cancellation of the federal student loans they used to attend those schools. If a student's federal loan is canceled, the student will not have to make further payments on the loan and any payments already made will be refunded. Letters were sent to Illinois students today, and will be sent to eligible students nationwide over the next six weeks.

More than 5,800 Illinois residents who attended Corinthian schools are eligible for federal student loan relief and will receive information from Madigan's office explaining the relief available and how to apply for it. In 2011, Madigan began an investigation into Everest College, which was operated by Corinthian Colleges Inc. Madigan's investigation revealed widespread misrepresentations made to prospective students, supporting the Department of Education's own findings of fraud. Under federal law, students who have legal claims against schools for violations of law are eligible to have their student loans discharged.

"Students across the country were lured into enrolling in Corinthian schools by company representatives who made false and misleading statements about prospective career opportunities," Madigan said. "Every one of the students misled by Corinthian deserves to have their federal loans canceled. These students should not be left with student loan debt from a school that did nothing to qualify them for their careers."

After intense scrutiny by various government entities, including Madigan's investigation, Corinthian Colleges abruptly ceased operations in 2015, transferring some of its campuses to a non-profit called Zenith Education Group. The U.S. Department of Education then found that between 2010 and 2014, Corinthian Colleges made widespread misrepresentations about post-graduation employment rates at its Everest College campuses and elsewhere across the nation. Lists of the affected campuses, programs, and dates of enrollment are available at <https://www.StudentAid.gov/ev-wy-findings> and at <https://www.StudentAid.gov/heald-findings>. Students who initially enrolled during the specified time periods in the identified campuses and programs are eligible for streamlined discharge of their federal student loans.

Today's letter is being sent to students who fall within the U.S. Department of Education's findings of fraud discussed above, and who are eligible for a special "streamlined" process to discharge their federal student loans. However, any student who attended Corinthian Colleges and believes that the school lied about job prospects, the transferability of credits, or other issues may apply to have their federal student loans discharged using the Department of Education's universal discharge application at <https://borrowerdischarge.ed.gov>. More information is available at <https://studentaid.ed.gov/borrower-defense>.

In sending this information to students, Madigan also warned borrowers to beware of student loan scams. Student borrowers can apply for loan forgiveness, or get information on loan forgiveness, for [free](#) through the U.S. Department of Education, which never charges application or maintenance fees. Any solicitation to provide this information for a fee should be considered suspicious.

It may take time for the U.S. Dept. of Education to process applications, so any former student who applies for loan discharge should continue making payments on the affected loans until informed by the U.S. Dept. of Education or the loan servicer that his or her federal loans are in forbearance while the application is pending or that the loans have been discharged.

More information about Attorney General Madigan's outreach to former Corinthian students can be found at www.everestoutreach.com. Students can also call the U.S. Department of Education hotline at 1-855-279-6207 or e-mail questions about discharge of their

federal student loans to FSAOperations@ed.gov.

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

In addition to today's letter, Madigan has repeatedly called on the U.S. Department of Education to immediately forgive federal loans of students who attended fraudulent for-profit schools. 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 resolving Madigan's lawsuit, 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 by Madigan.

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