

Statements on Department of Education Granting Debt Relief to 79,000 Former Students of For-Profit Westwood College

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Student Defense, NCLC, Lawyers' Committee Issue Statements on Department of Education Granting Debt Relief to 79,000 Former Students of For-Profit Westwood College

Today, the U.S. Department of Education issued a final decision granting relief to roughly 79,000 former students at Westwood College. In response, Student Defense, the National Consumer Law Center, and the Lawyers' Committee for Civil Rights Under Law issued the following statements.

From Kyra Taylor, staff attorney at the National Consumer Law Center:

"We are glad that the Department of Education is finally providing long overdue relief to Westwood students. For years, the Department of Education has been aware of how Westwood College lied to prospective students about their graduates' employment prospects when enrolling them. By deciding to provide automatic relief, without an application, the Department is ensuring that harmed borrowers will not be left out of relief because they did not know how to apply.

"We hope that today marks a new day for the Department and that it will act expeditiously on group claims submitted by state attorneys general in the future."

From Dan Zibel, Student Defense Vice President & Chief Counsel:

"It never should have taken this long — or litigation — for the Department of Education to do the right thing, but we are thrilled that the Department has finally discharged the loans of defrauded Westwood College students. This move means thousands of borrowers are finally free from the loans they took out based, in part, on Westwood's lies and misrepresentations. While this won't make up for the lifelong damage the school has caused, it is welcome and overdue financial relief for students who shouldn't have to continue worrying about this debt.

"We'd like to offer our sincere thanks to Illinois Attorney General Kwame Raoul, former Illinois Attorney General Lisa Madigan, and Colorado Attorney General Phil Weiser who were all instrumental in advocating for defrauded Westwood students. We'd also like to recognize Senator Dick Durbin for supporting the Attorneys General and these defrauded students throughout this process. It's hard to imagine these defrauded borrowers receiving this relief were it not for the tireless efforts of these steadfast advocates.

"Today's decision is another indication that the Department is working towards providing defrauded borrowers the relief they rightly deserve. We hope the Department will work to enact more front-end measures to increase oversight and accountability and shield students from being defrauded in the first place."

From Genevieve Torres, associate director of the Educational Opportunities Project with the Lawyers' Committee for Civil Rights Under Law:

"Today's announcement will provide much-needed relief particularly to Black and Latinx

communities who were disproportionately enrolled in Westwood's sham Criminal Justice program. They bear the substantial harms from unaffordable debt compounded by generations of discriminatory policies that strip wealth from communities of color.

"The Department's actions—though long overdue—are an important step towards ensuring the predatory and abusive practices of for-profit colleges do not foreclose economic opportunities for Black and Latinx students and families who deserve meaningful educational opportunities and are unfairly targeted by such programs."

Additional Background:

Earlier this year, Student Defense, the National Consumer Law Center, and the Lawyer's Committee for Civil Rights Under Law — filed a lawsuit against the Department seeking relief for defrauded Westwood students. The lawsuit followed a letter sent to the Department by Illinois Attorney General Kwame Raoul calling for the same relief. In June 2022, Senator Durbin gave a speech on the floor of the U.S. Senate highlighting the story of Victoria Vences, one of the named Plaintiffs in the lawsuit.

In November 2016, then-Illinois Attorney General Lisa Madgian filed a group Borrower Defense to Repayment application to the Department of Education on behalf of defrauded students who attended Westwood College's criminal justice program in Illinois. The group application followed a settlement reached between the State of Illinois and Westwood that resulted in the discharge of institutional loans. However, the settlement did not address federal student loans held by the Department of Education. The agency has since relied upon the work of the Illinois Attorney General to grant a subset of students debt relief, but had not acted on the Illinois Attorney General's application, leaving countless students encumbered by unlawful student loans.