May 1, 2015

The Honorable Arne Duncan
Secretary of Education
U.S. Department of Education
400 Maryland Ave, SW
Washington, DC 20202

Dear Secretary Duncan:

Given the extensive evidence of widespread fraud at Corinthian Colleges, we believe *all* current and former students deserve federal loan discharges. We are particularly concerned that students whose entitlement to federal loan discharges is crystal clear – those recently enrolled in the 30 Corinthian campuses that closed on Monday – are being given incomplete, incorrect, and harmful information about their options from Education Department staff as well as from schools that do not have these students' best interests in mind.

We therefore ask the Education Department to *immediately* take the following actions:

1) **Extend the window for a closed discharge back to the signing of the Memorandum of Understanding on June 22, 2014,** not just back 120 days from the school closing. Section 685.214 of the regulations say "The Secretary *may extend the 120-day period if the Secretary determines that exceptional circumstances related to a school's closing justify an extension*." By any definition, this is an exceptional circumstance.

2) **Send loan discharge applications and clear information about options to all eligible students immediately,** as required by regulation, and make public copies of all general information being sent to students. We also encourage you to create and post short videos with clear information for students about their options. The Department should encourage students to take their time making this important decision, to be wary of any school that is rushing them to make a decision, and warn students about how transferring credits can affect their eligibility for a closed school discharge.

3) **Remove schools under investigation for fraud or being sued by a state or federal agency for fraud from any Department lists of transfer options** and bar them from attending any sessions for students attended by Department employees or contractors. In August, the Department [publicly committed](#) to "not approve a sale to another entity if that entity is currently under State and/or Federal investigation." If the Department would not approve sales to schools under investigation, it certainly should not be encouraging students to transfer to those schools either. The California Attorney General's [website](#) for former Corinthian students directs them to local legal aid organizations, job centers, and community colleges only.

4) **Establish a special hotline for Corinthian students.** The Department recently did this for students whose PLUS loans had been denied. This will help ensure students get accurate and consistent information.

5) **Record all Education Department staff or contractor calls with Corinthian students** to ensure accurate information is provided consistent with approved scripts.
6) **Direct servicers to send representatives to any meetings with students** equipped with the ability to pull up records and help with discharge paperwork on the spot.

Sincerely,

AFL-CIO
American Association of State Colleges and Universities (AASCU)
American Association of University Professors (AAUP)
American Federation of Teachers, AFL-CIO
Americans for Financial Reform
Center for Responsible Lending
Consumer Action
Consumers Union
East Bay Community Law Center
Empire Justice Center
Generation Progress
Higher Ed, Not Debt
Housing and Economic Rights Advocates
The Institute for College Access & Success
Jobs With Justice
The Leadership Conference on Civil and Human Rights
MALDEF
Mississippi Center for Justice
National Association of Consumer Advocates
National Consumer Law Center (on behalf of its low-income clients),
National Consumers League
The Other 98%
Public Counsel
Public Law Center
Service Employees International Union
Student Debt Crisis
United States Student Association
U.S. PIRG
Veterans Education Success
Veterans Student Loan Relief Fund
VetJobs
VetsFirst, a program of United Spinal Association
Woodstock Institute
Young Invincibles