January 23, 2017

Dear Representative Moolenaar:

The Project on Predatory Student Lending recently filed a claim in the bankruptcy case of ITT on behalf of former students. The basis of the claim, in addition to the allegations and evidence developed by federal enforcement agencies, state Attorneys General, and former ITT employees, is the testimony of over 2000 former ITT students. This testimony presents a consistent picture of ITT’s systematic deceptive recruiting and financial aid practices.

Over the last decade of its existence, ITT took in over $8 billion in federal student aid, the majority of which came in the form of federal student loans. This allocation has not been a good investment for students or taxpayers. ITT used federal funds to promote its programs through false advertising and coercive sales tactics. ITT’s investment in education was dwarfed by its expenditures on advertising and executive compensation.

The results speak for themselves. Data from 2014 show that on average, ITT graduates earn on average the same or less than high school graduates with no college education. Approximately one in five ITT students defaults on their federal student loans within three years. Of the remaining non-defaulted ITT borrowers, less than half have repaid a single dollar of the principal of their loan balance.

To illustrate how ITT’s unfair and deceptive acts and practices have affected your constituents, we have attached a copy of the complaint that has been filed, along with the accompanying testimony from your constituents in Michigan’s 4th congressional district who attended ITT. These statements represent just a sample of the harm ITT inflicted on your constituents, countless others in your district, and many more across the country.

As you know, federal law provides for student loan debt relief for students whose schools misled them or engaged in other misconduct. Please help your constituents, former students of ITT, get the federal student loan relief that they deserve. **Ask the Department of Education to forgive federal student loans for former students of ITT.**

Respectfully,

Project on Predatory Student Lending
Legal Services Center of Harvard Law School
TESTIMONY OF FORMER ITT STUDENTS FROM MICHIGAN’S 4TH CONGRESSIONAL DISTRICT

The following testimony comes from your constituents in Michigan’s 4th congressional district. It was filed on January 3, 2017 in the United States Bankruptcy Court for the Southern District of Indiana, as part of the ITT bankruptcy proceedings. The testimony was filed in support of a class action adversary proceeding complaint on behalf of all former ITT students.

"They have made me depressed and my father suffered a heart attack from stress from navient" (ID 8110)

"Told me I would only pay a little a month" (ID 8110)

"My credits dont transfer. I can not further my education without starting over. I was told they would." (ID 8072)

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