



STATEMENT OF PAULINE ABERNATHY
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Statement on Trump Administration's Irresponsible Action to Delay and Dismantle Key Student and Taxpayer Protections

"Today's [action](#) by the Trump Administration will be cheered by for-profit colleges and Wall Street but is terrible news for students, taxpayers, and anyone concerned about rising student debt. This irresponsible action will rightly be [challenged in court](#).

"[Student, consumer](#), and [veterans](#) organizations, [state attorneys general](#), and many others are on record opposing any delay or weakening of the borrower defense and gainful employment regulations because they protect both students and taxpayers from waste, fraud, and abuse. The Congressional Budget Office estimates that repealing the gainful employment regulation alone would cost taxpayers \$1.3 billion over the next 10 years.

"Halting and dismantling these [common-sense safeguards](#) will leave taxpayers holding the bag when schools commit fraud or close suddenly, make it easier for unscrupulous schools to defraud students and evade accountability, make it harder for defrauded students to get their loans discharged as provided under the law, and funnel taxpayer dollars to programs that consistently leave students buried in debt they cannot repay.

"During her confirmation process, Education Secretary Betsy DeVos said she believed students have a right to seek legal remedies in court when they think their college has defrauded them. Yet today's proposed delay of the borrower defense regulation scheduled to go into effect on July 1 would deny students this very right. The delay would let colleges keep using mandatory arbitration agreements to evade accountability by blocking student access to the courts, as Corinthian Colleges and ITT Technical Institutes did and most large for-profit colleges continue to do.

"If the Administration were serious about helping harmed students and protecting students from predatory practices, it would be implementing the borrower defense and gainful employment regulations without delay and acting on the *tens of thousands of pending loan discharge applications*, not dismantling current protections and committing to follow through only on the 16,000 applications approved by the Obama Administration. Defrauded borrowers deserve relief, have a right to it, and the [public overwhelmingly supports](#) providing it."

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An independent, nonprofit organization, The Institute for College Access & Success (TICAS) works to make higher education more available and affordable for people of all backgrounds. Our Project on Student Debt works to increase public understanding of rising student debt and the implications for our families, economy, and society. For more information see www.ticas.org or follow us on [Twitter](#) and [Facebook](#).