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Attorney General Porrino: Former Corinthian College Students Eligible for Federal Student Loan Cancellation

TRENTON – Attorney General Christopher S. Porrino announced today that the State is advising thousands of New Jersey residents who attended schools operated by Corinthian Colleges, Inc. that they are eligible for cancellation of federal student loans they used to attend those schools.

In a letter mailed out Friday on Division of Consumer Affairs letterhead, enrollees of the Corinthian schools at issue -- Everest Institute, Everest College, Everest University, Heald College, and Wyotech – are advised of their eligibility for student loan cancellation. If a student’s federal loan is cancelled, the student will make no more payments on the loan, and any payments already made will be refunded.

After intense scrutiny by various government entities, the for-profit 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 while it was operating, Corinthian made widespread misrepresentations between 2010 and 2014 about post-graduation employment rates at many of its campuses.

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 first enrolled in the identified campuses and programs during the specified time periods are eligible for a special “streamlined” discharge of their federal loans.

“Many people in New Jersey and across the nation incurred student loan debt in order to enroll in these schools, only to find that they’d been given exaggerated promises, and that the education they paid for was not as advertised,” said Attorney General Porrino. “Today, many of these same students remain saddled with debt, even though Corinthian Colleges and its subsidiaries have shut down. We urge students who believe they may be eligible for cancellation of their Corinthian Colleges student loan to keep an eye out for our letter.”

Friday’s outreach letter was sent to students who fall within the U.S. Department of Education’s findings of fraud with respect to the Corinthian schools, and who are eligible for the “streamlined” discharge of 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 his or her student loans canceled 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>.

Approximately 2,200 New Jersey residents are eligible for federal student loan cancellation relative to the Corinthian College, Inc. closures (and subsequent findings of fraud against Corinthian.)

Eligible former students will receive a letter explaining the relief available, and providing a short application that must be filed with the U.S. Department of Education.

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