



For Immediate Release

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Hildreth Institute Statement on US Education Department Cancelling \$150 Million in Student Loans

Zero-Debt Advocates Credit AG Maura Healey For Her Role Holding the Trump Administration Accountable for Protecting Defrauded Students

BOSTON – Bob Hildreth, President of the Hildreth Institute, today issued the following statement regarding news that the US Department of Education, after a court order, will cancel \$150 million in federal loans of students who were affected by the closure of for-profit colleges:

“This news is a small but important step towards justice for 15,000 student borrowers who were defrauded by predatory for-profit colleges taking advantage of our broken student loan system. It’s outrageous that it took a court order to force the Trump Administration and Secretary DeVos to do the right thing and cancel these loans. It’s a credit to the effort of Attorney General Maura Healey and the other state attorneys general and advocacy groups who forced the administration to act.

“However, this decision still leaves more than 100,000 students who were defrauded by closed for-profit colleges and continue to struggle under a massive amount of debt. It’s clear that Secretary DeVos won’t cancel their loans unless she is forced to, and we stand with Attorney General Healey and other state leaders as they continue to hold the Trump administration accountable.

“The federal student loan system creates perverse incentives that enable bad actors to prey on students. Without adequate protections for students, these predatory corporations will continue to base their business models on the availability of these loans, with little commitment to providing quality education.”

Background

Politico, [DeVos cancels \\$150M in student loan debt after losing court battle](#): “The Trump administration said Thursday it will cancel thousands of borrowers’ federal student loans, carrying out an Obama-era policy that Education Secretary Betsy DeVos had fought to kill. The move comes as DeVos is being forced to implement a package of regulations that created more protections for student loan borrowers who were affected by a school closure or defrauded by

their college...Education Department officials said Thursday that they will cancel the loans of about 15,000 borrowers who qualified for “closed school” loan discharges but who haven’t yet applied for that benefit. Those student loans total approximately \$150 million.”

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[Hildreth Institute](#), a non-profit organization, was established in 2018 to pull the curtain back on the unsustainable higher education system in America – the direct result of a flawed financial aid system. At Hildreth Institute, we fight for zero-debt college because we believe that student loans are not the right financial aid tool for our students or their families. We need to move to a zero-debt system that makes college affordable to all, without leaving students mired in debt.

Founded by [Bob Hildreth](#), a passionate advocate of college affordability issues and a champion of many education initiatives, the Institute aims to increase awareness among students, families, and higher education institutions about the student debt crisis and – through research, grassroots advocacy, and mobilization – lay the path to a zero-debt future. Hildreth Institute is a member of the national [Higher Ed, Not Debt](#) coalition, a campaign of dozens of organizations dedicated to tackling the crippling and ever-growing issue of student loan debt in America.