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United States Senate
Washington, DC 20510–1304

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

COMMITTEE ON APPROPRIATIONS

COMMITTEE ON THE JUDICIARY

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Dear Teacher:

For 12 consecutive years, I have written to you as you support Illinois students in navigating postsecondary education opportunities. This is an important decision that sets up students for success in college, their careers, and beyond. This year as I am retiring, I write to you for the final time to ask for your help in providing Illinois students with accurate and up-to-date information about their options, including the risks associated with attending for-profit colleges.

I want to recognize the work you do to serve Illinois students and families, especially in today's challenging environment where federal support for education is under attack. It has been a chaotic year for Illinois students and families who are pursuing quality postsecondary education options. The Trump Administration has placed new loan limits on Parent PLUS and graduate loans; the Pell Grant program is facing a shortfall; the Department of Education (Department) has announced its plan to move federal student aid operations to the Department of Treasury, an agency that lacks the expertise in servicing and originating student loans and administering Pell Grants; and schools have seen delays in federal grant funding that impact students, teachers, and school communities. While the Trump Administration attempts to recklessly dismantle the Department of Education, students and families continue to search for quality higher education options. That is where you step in.

Our nation is experiencing workforce shortages across various industries. By 2028, the United States is projected to face a shortfall of 300,000 nurses. In 2025, there were more than 45,500 unfilled teaching positions across the country, including nearly 3,900 in Illinois. Without investing in a trained workforce, Illinois will continue to face labor shortfalls across these critical sectors.

Higher education plays a key role in helping to train our workforce and filling labor shortages. However, not all postsecondary institutions offer the same quality of education, job prospects, or potential to pay down student debt. For more than a decade, I have shone a light on the for-profit college industry, which has a long history of deceiving students, especially low-income students, students of color, and veterans. Postsecondary institutions should provide students with a quality education that helps them achieve success in an increasingly competitive labor market. Instead, predatory for-profit colleges are providing a low-quality education, often worthless degrees, and crushing student loan debt.

On average, students who attend for-profit colleges pay $9,200 more per year than students who attend public institutions. In addition, for-profit colleges often fail to invest tuition dollars into academic instruction or student supports, choosing instead to prioritize marketing and advertising. The Brookings Institution found that for-profit colleges spend nearly $400 per student on advertising, compared to approximately $14 and $48 per student spent by public and private nonprofit universities, respectively. The Century Foundation found that while public colleges spend more on instruction than they receive in tuition revenue, on average, for-profit colleges spend less than half of overall tuition revenue on instructional spending.

It is no surprise that students who attend for-profit colleges often see poorer outcomes than their similarly situated peers at public and private nonprofit colleges. A Federal Reserve Bank of New York report found that students who attend for-profit colleges take on more student debt and are more likely to default on their student loans than those who attend similarly selective public universities. Another study found that only one in three students who enroll in a bachelor's degree program at a for-profit college complete their degree within six years. Meanwhile, bachelor's degree candidates at public and private nonprofit colleges graduate in the same timeframe at about twice the rate. Students who attend for-profit colleges also generally have worse earnings outcomes. The Center for Analysis of Postsecondary Education and Employment found that students who attended a two-year for-profit college saw $4,000 less in median earnings per year than those who attended community college, and students who attended a four-year for-profit college saw $3,700 less in earnings per year than those who attended a four-year public college.

After the collapse of some of the largest for-profit colleges, many students found themselves left with debt and no degree overnight. Those students relied on borrower defense to repayment, a student loan forgiveness program that provides relief to borrowers who were defrauded by their college or university. As of January 2026, more than one million borrowers had applied for discharge of their federal student loans, including 51,230 Illinoisans.[1] By the end of then-President Biden's term, the Department had discharged $34.5 billion in federal student loans for more than 1.7 million borrowers who were defrauded by for-profit colleges. This included a class action settlement the Department reached to discharge an additional $6 billion in federal student loans for 200,000 borrowers who attended 151 predatory institutions—nearly all of which were for-profit colleges. While under President Trump, the Department requested to delay relief for class members, a federal judge has since rejected its request.

From January 2014 to April 2023, 2,365 for-profit campus locations around the country closed, including 74 campuses in Illinois. And many of the worst actors in the for-profit college industry shuttered their doors, including Corinthian College, ITT Technical Institute, Westwood College, and Dream Center's Argosy University and Illinois Institute of Art. These companies engaged in fraudulent and predatory practices, including falsifying job placement rates, lying about the ability to transfer credits, and pushing students into high-cost, private student loans. When these institutions abruptly closed, hundreds of thousands of students across the country—including thousands in Illinois—were left in the lurch with high debt volume, no degree, and the inability to transfer their credits.

This group of bad actors is not unique. Almost every major for-profit college company has been investigated or sued for deceptive practices, and many proprietary institutions continue to prey on students. According to publicly available information, the following for-profit college companies and brands operate in Illinois, or offer degrees exclusively online and are currently or have been the subject of investigations or lawsuits by state Attorneys General and/or federal

[1] https://studentaid.gov/data-center/student/loan-forgiveness/borrower-defense-data.

agencies; recently have paid millions as part of state and/or federal settlements for deceptive practices; or have been found guilty of fraud in a court of law:

- American Intercontinental University and Colorado Technical University—owned by Perdoceo Education Corporation (formerly Career Education Corporation)
- Ashford University—owned by University of Arizona and operating as University of Arizona Global Campus
- Capella University—owned by Strategic Education, Inc.
- Chamberlain University and Walden University—owned by Covista (formerly Adtalem Global Education and DeVry Education Group)
- DeVry University—owned by Cogswell Education LLC (formerly owned by Adtalem Global Education)
- Empire Beauty School
- Grand Canyon University
- Kaplan University—now known as Purdue University Global
- Lincoln Educational Services—operating in Illinois as Lincoln College of Technology
- University of Phoenix

Financial instability can be the first indicator that a for-profit college is more likely to close. The Department of Education places schools on Heightened Cash Monitoring (HCM) to provide additional oversight over institutions with financial or federal compliance issues. For-profit colleges operating in Illinois on the Department's HCM list include:[2]

- Cannella School of Hair Design
- Chamberlain University
- Pivot Point Academy
- State Career College
- Trenz Beauty Academy

A school's accreditation status also may signal whether a school will provide a good return on investment. However, a school's accreditation status is not always a reliable indicator of academic quality. For example, some accrediting agencies like the Accrediting Council for Independent Colleges and Schools (ACICS) continued to approve predatory institutions like Corinthian, ITT Tech, and Westwood College up until the day those institutions closed, despite clear warning signs that these companies were defrauding students.

You can help students take steps to choose high-quality institutions. Instead of relying on a school's accreditation status, students and parents should look at student outcome data. <u>Here is one data point I hope you will remember and explain to your students: for-profit schools enroll just eight percent of all postsecondary students but account for 30 percent of all federal student loan defaults.</u> Students can find information about a school's student outcomes, including their student default rate, through the College Scorecard, which provides data on median earnings by field of study, graduation and retention rates, typical debt after graduation, and typical monthly federal student loan payments. It can be accessed at https://collegescorecard.ed.gov.

[2] https://studentaid.gov/data-center/school/hcm

Parents and students also may look at data related to the Department's Gainful Employment (GE) rule. This data highlights programs at for-profit colleges that produce unaffordable debts relative to their earnings. Under the first year of GE disclosures in 2017, the most recent year this data was made public, more than 98 percent of programs that failed the GE criteria were operated by for-profit schools. Of those that failed in Illinois, all were operated by for-profit companies. The most recent available GE data for all career programs is available by clicking on "Download the Debt to Earnings data spreadsheet" at https://studentaid.gov/data-center/school/ge.

The Department recently updated its GE criteria. The updated GE rule will focus on the average earnings of a student who completed their associate's or bachelor's degree at a for-profit college and compare those earnings to a student who completed a high school degree. This data is not as strong of an indicator as looking at debts relative to earnings, but it will signal to students and families the worst value programs. While updated GE rule data will not be released until July 2027, students_may ask schools for their current GE disclosures for career education programs and use this information to compare schools and make informed decisions.

GE data typically reveal that a student's best option for career training programs is through a community college, which offers affordable, quality programs with credits that will almost always transfer to other schools. As a trusted voice in your school community, I encourage you to partner with your local community colleges, public universities, and private nonprofit institutions to ensure students have accurate information on quality, affordable postsecondary education options.

Thank you for all the work you do to prepare Illinois students for their future and for sounding the alarm on the risks of attending a for-profit college. Your guidance can prevent students from signing up for a lifetime of debt and instead put them on the path to success. I encourage you to reach out to my office at 202-224-2152.

Sincerely,

Dick Durbin

Richard J. Durbin
United States Senator