

PLEASE NOTE: The New Mexico Office of the Attorney General does not provide legal advice or representation in individual matters. The following is provided for general public informational and educational purposes only and does not create an attorney-client relationship or constitute legal advice.

INFORMATION FOR STUDENTS ON ITT TECHNICAL INSTITUTE'S CLOSURE; TRANSFER SCHOOL OPTIONS; FEDERAL STUDENT LOAN RELIEF OPTIONS

Background to ITT's closure

- On September 6, 2016, the company behind ITT Technical Institutes announced that it would be closing its 138 resident campuses in 39 states.
- This closure announcement came after the U.S. Department of Education ("ED") twice found that ITT was non-compliant with accreditation standards and issued sanctions against ITT.
- The closure comes in the middle of the NMOAG's lawsuit against the school for deceptive and unfair marketing practices. The CFPB and more than 20 other states had active investigations or lawsuits against the school.

What's is the immediate impact on ITT students nationwide and in New Mexico?

- ITT's closure will affect between 35,000 - 40,000 students across the country.
- ITT has a campus located in Albuquerque, New Mexico which enrolled approximately 317 students at the time of the closure announcement.
- NM students who were enrolled in ITT's online programs also will be affected.
- Many ITT students face serious interruptions in their studies and find themselves saddled with thousands of dollars of student loan debt, and no clear option for transferring their ITT credits to another school or educational program.

Protect yourself from potential scams!

- This is a frightening, confusing, and frustrating time for students who sought to improve their and their family members' lives through higher education.
- The shock and hardship caused by ITT's abrupt closure place students in an especially vulnerable position and make them susceptible to exploitation and/or scams, such as:
 - Other expensive, substandard, and predatory for-profit schools may aggressively target ITT students to transfer to their schools. The decision when, if, and how to complete your education is an important one and you should be informed and not rushed in making this decision. It is important to adequately research an educational program before enrolling, including the total cost of the program, graduation and completion rates, loan default and repayment rates, and job placement rates. Do not let other schools' predatory recruitment practices pressure you to feel you must enroll in another program immediately.
 - Unscrupulous companies may target ITT students for student loan relief services, such as loan consolidation, loan discharge, or loan forgiveness. These services are all available **free of charge** from through ED. For more information, see <https://studentaid.ed.gov/sa/repay-loans>.

PLEASE NOTE: The New Mexico Office of the Attorney General does not provide legal advice or representation in individual matters. The following is provided for general public informational and educational purposes only and does not create an attorney-client relationship or constitute legal advice.

Where can ITT students find the latest information on ITT-related developments?

- ED is maintaining and regularly updating its website to keep students informed about ITT developments: <https://studentaid.ed.gov/sa/about/announcements/itt>.
- The Office of the Attorney General will be putting on informational sessions in the upcoming weeks. The first session will be Monday, September 19, at the New Mexico State Bar Center, Keleher Room, 5121 Masthead NE, Albuquerque, NM 87109, from 5:00 to 7:00 p.m. Check our website for updates about future sessions.

What relief may be available to ITT students affected by the closure?

- ED is currently working with ITT, state higher education authorities, and state attorneys general to assist students affected by ITT's closure.
- Some students may be eligible to:
 - **TRANSFER SCHOOLS:** Transfer the credits they have earned to other schools to complete their studies. We are working on compiling a comprehensive list of schools that may, depending on the circumstances, accept transfer credits from former ITT students.
 - **FEDERAL STUDENT LOAN FORGIVENESS:** Apply FREE OF CHARGE to have their federal student loans cancelled under a federal process called "Closed-School Discharge" or a process called "Borrower Defense to Repayment." (More on this below.)

The Office of the Attorney General is continuing to collect relevant information concerning transfer schools and student loan forgiveness. Please check our website for the most up-to-date information.

How can students obtain ITT transcripts and academic records?

- Students may request their ITT transcripts at the ITT website: <http://itt-tech.info/how-to-obtain-a-transcript/>.
- Additionally, students can contact the New Mexico Higher Education Department for assistance with requesting their records:
 - Email: David Mathews at david.mathews@state.nm.us
 - Phone:
 - David Mathews: (505) 476-8402
 - Michelle Casillas: (505) 476-8409

PLEASE NOTE: The New Mexico Office of the Attorney General does not provide legal advice or representation in individual matters. The following is provided for general public informational and educational purposes only and does not create an attorney-client relationship or constitute legal advice.

Can students transfer their credits to other schools or programs?

The Office of the Attorney General is continuing to collect relevant information concerning transfer schools. Please check our website for the most up-to-date information.

- The Office of the Attorney General is working on compiling a comprehensive list of schools that may, depending on the circumstances, accept transfer credits from former ITT students.
- Students can find out more about licensed institutions with similar programs in their area by contacting the New Mexico Higher Education Department (NMHED) and by reviewing the [closure information that ITT posted on its website](#) and sent via email to enrolled students. Students will have to contact the school directly to determine whether or not it will accept transfer credits from ITT.
- Students may also want to use [ED's College Scorecard](#) to explore transfer options and find the program that's right for the student.
- Before applying ITT credits to another school or program, we recommend students research how this might impact the student's eligibility for Closed-School Discharge, a process by which students can apply to have their federal loans forgiven. (See below.)
- **TRANSFER OPTIONS (RESIDENT CAMPUS STUDENTS):** Students who attended ITT's resident campus should contact the New Mexico Higher Education Department (NMHED) for information and assistance with transfer options.
 - Website: <http://www.hed.state.nm.us>
 - Email: David Mathews at david.mathews@state.nm.us
 - Phone:
 - David Mathews: (505) 476-8402
 - Michelle Casillas: (505) 476-8409
- **TRANSFER OPTIONS (ONLINE STUDENTS):** Students who attended ITT's online programs can find a list of schools with whom ITT had an "articulation agreement" and may allow students to complete their degrees:
 - Website: <http://itt-tech.info/education-options/>
- **CAUTION:** Before enrolling in another school students should:
 - Check with ED or the NMHED to confirm that the receiving school is in good standing;
 - Confirm that the transfer school's degree program has all of the necessary accreditations the student will need upon graduation to work in the field; and
 - Research the cost of education, the school and applicable program's graduation and completion rates and job placement rates, the additional amount of student debt they will incur, and the school and applicable program's loan default and repayment rates. Students should be wary of schools that are reluctant to provide this information.

PLEASE NOTE: The New Mexico Office of the Attorney General does not provide legal advice or representation in individual matters. The following is provided for general public informational and educational purposes only and does not create an attorney-client relationship or constitute legal advice.

IMPORTANT INFORMATION ABOUT YOUR STUDENT LOANS

Basic loan information

- The National Student Loan Data System (NSLDS) is ED’s central database for student aid. A student can view their loans by visiting the NSLDS website at: https://www.nsls.ed.gov/nsls/nsls_SA/
- On the NSLDS website, a student can also determine if their loans are owned by ED by clicking on each individual loan and reviewing the “Servicer/Lender/Guaranty Agency/ED Servicer Information.”

Options for relief from federal student loan repayment obligations

Please note that most ITT students took out federal and private loans. As of now, we are unaware of any programs to assist students in discharging private loans. Below is helpful information for students who might be eligible to discharge their federal student loans due to ITT’s closure and/or fraudulent conduct.

Summary

- Affected students may be eligible to have their federal student loans forgiven or canceled under a process called “Closed-School Discharge” or a process called “Borrower Defense to Repayment.”
- Students can find information on their student loan relief options on the ED Website at: <https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation#approved>

Closed-School Discharge

- Information on “Closed-School Discharge” can be found at the ED website at: <https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/closed-school#criteria>
- “Closed-School Discharge” is a process by which the borrower (i.e. student) is released from the obligation to repay their federal loans (i.e. Direct Loans, Federal Family Education Loan (FFEL), or Federal Perkins Loans).
- Under Closed-School Discharge, a borrower (i.e. student) may be eligible to have the loans they took out to attend a school discharged if they can prove that:
 - The school either closed *while* the student was enrolled, or closed *within 120 days* after the student’s withdrawal; and
 - The student does not complete their program because of the closure.
(Note: If the student was on an approved leave of absence, the student is considered to have been enrolled at the school.)
- Students are not eligible for Closed-School Discharge if they:

PLEASE NOTE: The New Mexico Office of the Attorney General does not provide legal advice or representation in individual matters. The following is provided for general public informational and educational purposes only and does not create an attorney-client relationship or constitute legal advice.

- Have completed all the coursework for the program but have not yet received their diploma or certificate; or
- Apply their ITT credits towards a comparable program at another school.

Important note: Transferring your credits does not automatically bar you from Closed-School Discharge. The Office of the Attorney General is in the process of obtaining information from ED concerning how a “comparable program” is defined. Please check our website for the most up-to-date information.

- If an application for Closed-School Discharge is successful:
 - The student will no longer have to make payments on federal student loans;
 - The discharge will be reported to credit bureaus so as to delete any adverse credit history associated with the loan(s);
 - ED may be required to refund some or all of the student’s loan payments.
- **TO APPLY:** Complete ED’s Closed School Loan Discharge Application (available at <https://studentaid.ed.gov/sa/sites/default/files/closed-school-loan-discharge-form.pdf>; also available through your loan servicer) and return it to your loan servicer.
- Students should continue to make payments on their federal loans while their Closed-School Discharge applications are pending.

Borrower Defense to Repayment

IMPORTANT! This section outlines the process for “Borrower Defense to Repayment,” whereby students may apply to have their federal loans forgiven. ED currently is reforming this process from a complex, burdensome one to a simpler, more streamlined one that students will be able to navigate without substantial outside help. The Office of the Attorney General is following ED’s announcements and will inform students as soon as the new process is in place. Please check our website for the most up-to-date information.

- Information on “Borrower Defense to Repayment” can be found on ED’s website at: <https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/borrower-defense>.
- Borrower Defense is a type of federal student loan forgiveness for students who have been defrauded by their schools.
 - *Note: If you attended ITT, you may be eligible for Borrower Defense even if you withdrew from or completed your program prior to ITT’s closure.**
- Under Borrower Defense, a borrower (i.e. student) may be eligible to have their federal loans forgiven if:

PLEASE NOTE: The New Mexico Office of the Attorney General does not provide legal advice or representation in individual matters. The following is provided for general public informational and educational purposes only and does not create an attorney-client relationship or constitute legal advice.

- The student took out federal Direct Loans (Direct Subsidized Loans, Direct Unsubsidized Loans, Direct PLUS Loans, and Direct Consolidation Loans) to attend a school; and
- The school committed fraud by doing something or failing to do something, misrepresented its services, or otherwise violated applicable state law related to the loans or the educational services financed by the loans.
- If the Borrower Defense claim is successful:
 - The student may have his or her entire outstanding federal loan forgiven;
 - The student may be reimbursed for amounts already paid;
 - The loan discharge will be reported to credit bureaus so as to delete any adverse credit history associated with the loan(s).
- **TO APPLY:** Although students *can* apply now, ED currently is creating a new process to make it easier for defrauded students to submit Borrower Defense claims. ED will update its website with more information once this new, easier process is in place.
 - If a student still wishes to apply now, instructions for submitting a claim can be found on ED's website: <https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/borrower-defense>. The current process is highly detailed and individualized. Students may wish to hire an attorney to assist in submitting a claim.
 - For more information, contact ED's Borrower Defense Hotline: (855) 279-6207; M-F, 6:00 a.m.-6:00 p.m. (Mountain); or email FSAOperations@ed.gov.
- The Office of the Attorney General is following the developments in ED's revision of its Borrower Defense process. We will provide more information as it becomes available and will assist former ITT students in applying for Borrower Defense once ED's new process is finalized. Follow our website for updates.