

Defrauded Students of For-Profit Schools Will Stay Indebted, Judge Rules

Courthouse News Service **reports** that Education Secretary Betsy DeVos need not provide full debt relief to more than 60,000 defrauded students, but she must stop collecting on their loans, a federal judge said in court Monday.

A proposed class of borrowers had asked U.S. Magistrate Judge Sallie Kim to revive an Obama-era policy that promised full debt forgiveness to students defrauded by the now-defunct, for profit Corinthian Colleges, according to reporter **Nicholas Iovino**.

Kim sided with the federal government's position that returning to the "status quo" means delaying processing claims for debt relief, not going back to the Obama-era policy of forgiving all loan debt. She acknowledged that borrowers will still suffer harm to their credit and interest growing on their loans, even though she has ordered the government to stop collecting.

Read the CNS article.