

July 14, 2016

The Honorable John B. King, Jr  
Secretary  
Department of Education  
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Washington, DC 20202  
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Federal Trade Commission  
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Richard Cordray, Director  
Consumer Financial Protection Bureau  
1700 G Street  
Washington, DC 20552  
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Dear Mr. Secretary, Madam Chair, and Director:

On behalf of Career Education Colleges and Universities, I am writing to request that you organize an inter-agency coordinating committee to fight the growing student loan debt-relief scams in our nation.

Every day, through the use of social media, trial lawyers are data-mining names and using this information to file misleading and unlawful actions against colleges for debt relief. The action, in the name of student loan debt forgiveness, is the classic misrepresentation seeking funds from students for loan forgiveness while promising actions that in most cases have no basis. Again this week our office has been filled with examples of scam postings on the web inviting students of any given college to call specific numbers to engage in student loan forgiveness. Such action not only is an injury to innocent students/graduates; it also impugns the reputation of high-quality career education schools by suggesting a problem when none exists.

The Administration has been very aggressive in using an inter-agency coordinating committee to confront accusations of misconduct by our sector schools. We are asking that you engage the same effort and commitment to protect BOTH students and schools from this current scam engaged by some lawyers seeking monetary benefits at a cost to students.

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We recognize and applaud the efforts made so far in 2016 by your agencies and state attorneys general. But in the wake of an NPRM for Borrower Defense to Repayment that would require schools to post new lines of credit when any suits are filed against such schools, we ask that you become more active, more aggressive, and more successful in bringing this scam to an end. No such regulation can be seriously considered until the Administration and its colleague Attorneys General provide a safe environment for both students and schools to operate without such scams. We, as a sector, stand ready to work with you and provide to you multiple examples of these scams. Unfortunately, previous efforts to stop the scams have not subsided. Rather, in the wake of this new NPRM the volume is increasing substantially.

We look forward to working with you in an area where the government, students, and our sector schools have a common interest. We look forward to your response.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Gunderson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Steve Gunderson  
President & CEO  
Career Education Colleges & Universities