

FOR IMMEDIATE RELEASE February 4, 2020 #20-02

CONTACT: Samantha Fisher 615.741.5860 samantha.fisher@ag.tn.gov

AG SLATERY JOINS BIPARTISAN COALITION CALLING FOR EXTENSION OF STUDENT LOAN RELIEF

Nashville- Attorney General Herbert H. Slatery III joined a bipartisan coalition of attorneys general renewing their request to U.S. Department of Education Secretary Betsy DeVos to discharge the federal student loans of all students enrolled in schools operated by Dream Center Education Holdings, LLC. In Nashville, Dream Center operated The Art Institutes and Argosy University, both of which closed in December 2018.

Dream Center, a California-based nonprofit, went into receivership in January 2019. Under the federal "closed school discharge" regulation, former students may be eligible for a 100 percent discharge of their federal student loans if they were unable to complete their program because their school closed. Closed school discharge is only allowed for students who were enrolled at the time the school closed; were on an approved leave of absence when the school closed; or withdrew within 120 days of the school's closure, unless the Secretary of Education approves a longer period.

Secretary DeVos announced last November that she would extend the closed school discharge eligibility window from 120 days back to June 29, 2018 for certain schools, making a small number of former Dream Center students newly eligible.

While the Nashville campuses of the Art Institute and Argosy University were among those schools, the extension of a few weeks still left many former Dream Center students in Tennessee ineligible for potential debt relief.

"Tennessee students not covered under the timeframe of last year's extension ought to be considered," said General Slatery. "I believe they fall under the intent of the closed school discharge regulation because Dream Center's demise left them with considerable debt and no degree to help pay it off. That's why this Office is asking again for federal debt relief on their behalf."

To read the letter, click here:

https://www.tn.gov/content/dam/tn/attorneygeneral/documents/pr/2020/pr20-02-letter.pdf

