

# Advocates Urge President Trump to Join Congress in Restoring Rule to Protect Student Loan Borrowers from School Fraud and Closures

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Boston - National Consumer Law Center advocates urge President Trump to join with Congress in protecting student loan borrowers hurt by school fraud and closures by signing into law the bipartisan joint resolution preserving existing borrower defense rules against rollbacks planned to go into effect in July. Last night, Congress presented President Trump with Senate Joint Resolution 56, which applies the Congressional Review Act to block the 2019 Borrower Defense to Repayment rule from going into effect and to preserve the existing rules protecting borrowers from school fraud and closures. The President has 10 days to sign the bill into law.

“We cannot let the rights of the most hard-hit student loan borrowers—those who were scammed or whose schools closed unexpectedly — be quietly rolled back during the current national emergency. Now more than ever, struggling borrowers, including veterans and low-income students of color, who were left with heavy debt and worthless degrees—or no degrees at all—by predatory schools need a fair path to accessing the loan relief provided under the Higher Education Act,” **said National Consumer Law Center attorney Abby Shafroth.** “Congress has presented the President with a bipartisan bill standing up for students and protecting their access to loan relief, and we hope that the President will seize this opportunity to stand with Congress and struggling Americans against fraud, corruption, and bureaucratic red tape.”

The joint resolution is supported by broad coalitions of organizations representing veterans (who are disproportionately targeted by predatory schools for their GI Bill dollars), students, low-income consumers, and advocates for education. Last December, a diverse coalition of 57 organizations wrote that that if the 2019 Borrower Defense Rule goes into effect, it would limit relief to only about 3% of student borrowers who were victims of fraud and other illegal school conduct, and only 1% of schools that defrauded students would have to reimburse taxpayers. The rule would green light school misconduct while making relief for defrauded borrowers all but impossible.