

# Help Student Veterans Facing ITT Closure

**From: The Committee on Veterans' Affairs**

**Sent By: [erin.snow@mail.house.gov](mailto:erin.snow@mail.house.gov)**

**Bill: H.R. 3991**

**Date: 9/6/2016**

Dear Colleague,

Today, ITT Educational Services, Inc. (ITT) closed down all of its ITT Technical Institute Campuses. **GI Bill benefits for 12,500 student veterans and dependents enrolled in ITT will be cut off immediately**, including payments of housing allowance (BAH). Almost half of these student veterans are married with children, and 14% are single parents.

**I have introduced a bipartisan, bicameral bill that would directly address this situation, the Veterans Education Recovery and Restoration Act (H.R. 3991).** Upon the sudden closure of a GI Bill-eligible school like ITT, H.R. 3991 would restore GI Bill entitlement for the semester of the closure, and continue housing allowance payments through the semester to keep student veterans from becoming homeless while they decide on their next steps. The companion bill is included in the Senate's Veterans First Act and **your support is critical to protect student veterans at ITT from immediately losing their GI Bill housing benefits and becoming at-risk for homelessness.** Please reach out to Erin Snow with the House Veterans' Affairs Committee to cosponsor the bill: [erin.snow@mail.house.gov](mailto:erin.snow@mail.house.gov).

Below my signature, please find an overview of what student veterans and other GI Bill beneficiaries need to know now regarding ITT's closure. As Members of Congress, we must provide clear information and guidance to ITT students who are trying to understand how this closure will impact their futures.

Sincerely,

Mark Takano

Acting Ranking Member

House Veterans' Affairs Committee

**Option 1: Transfer**

Students can transfer to a new school. If they act quickly to transfer, they can avoid the possibility of any break in housing allowance. If the housing allowance is critical to the student, then he or she may want to act now to transfer. But there are other considerations below.

If a student wants to transfer to a new school, there are helpful resources:

- The U.S. Department of Veterans Affairs' college search engine "GI Bill College Comparison Tool" is [here](#).
- The U.S. Education Department's college search engine "College Scorecard" is [here](#).
- A reliable, non-profit, community college search engine is [here](#).
- Tips on choosing a college for veterans are [here](#).
- A list of all of the ITT Tech locations with the nearest community college is [here](#), including a list with a [map view](#).

Please steer your constituents clear of private company websites, which often push students to schools that pay to be listed on the website. The U.S. government websites don't accept any money to promote schools; the U.S. government provides fair and accurate information.

The best education is not online, but in a classroom. However, if a student really wants to study online, please recommend that he or she attends a **public online** college, such as Penn State World Campus, Arizona State University Online, or Georgia Tech University Online. Many community colleges also have online offerings.

One of the best schools to transfer to is a **local community college**. Community colleges are properly accredited, their credits are respected by other colleges and universities, and their degrees are often more respected by employers than schools like ITT. Also, they have very low tuition, so if a student has to repeat credits and his or her GI Bill months are running out, the financial hardship will be less.

Unfortunately, a student might face the hard truth that some credits may not transfer to a new school and the student may need to repeat credits. Why? Because ITT's credits are often not respected by other schools (and likely won't be respected by many employers). That's a hard truth to face, especially after ITT probably promised students they were great.

### **Option 2: Federal Education Loan Discharge**

If an ITT student has not finished the education program and he or she hasn't yet transferred credits to "a comparable educational program at another school," the student will likely be eligible to have federal loans discharged (forgiven) by the U.S. Department of Education under the "closed school discharge" rules (more information [here](#)).

- In order to qualify for a "closed school discharge," the student will have to reject a "teach out" plan that is offered when ITT closes. (ITT and the government may push the student to take the "teach out," but if accepted the "teach out," the student cannot get the "closed school discharge" of loans. On the other hand, the student may get more credits to transfer in a "teach out.")
- If the student decides to seek a "closed school discharge," please understand that under current law, he or she would not get back any of their GI Bill entitlement, and would not continue to receive their housing allowance.
- Also, be aware that most private loans cannot be forgiven (discharged), but the student should check the specific promissory note signed when taking out the loan.

### **Additional Resources for ITT Student Veterans:**

- Call Student Veterans of America to get expert guidance specific to the student's circumstances: [202-223-4710](tel:202-223-4710), [www.studentveterans.org](http://www.studentveterans.org).
- Veterans Education Success is keeping their website updated with current information: [www.veteranseducationsuccess.org](http://www.veteranseducationsuccess.org).

- Call the VA's Education Call Center at [1-888-442-4551](tel:1-888-442-4551) (Monday-Friday, 7am to 6pm CST).
- I am working to prepare a briefing so offices have the resources they need to handle school closures like this in the future.