



# Attorney General Doug Peterson

# News Release

FOR IMMEDIATE RELEASE

June 24, 2019

## **Nebraska Attorney General Announces \$1.7 Million in Debt Relief for 176 former Nebraska ITT Tech Students in Multistate Settlement**

Lincoln – Attorney General Peterson announced today that his office has secured \$1,767,021.12 in debt relief for 176 former ITT Tech students in Nebraska as part of a settlement with 43 other state attorneys general. The settlement will result in debt relief of more than \$168 million for more than 18,000 former ITT students in all 50 states and the District of Columbia. The settlement is with Student CU Connect CUSO, LLC (“CUSO”), which offered loans to finance students’ tuition at ITT Tech, the failed for-profit college. ITT filed bankruptcy in 2016, amid investigations by state attorneys general and a move by the U.S. Department of Education to restrict ITT’s access to federal student aid.

“As Attorney General, I am committed to protecting Nebraska students and their families from institutions that put profit ahead of people,” General Peterson said.

A related settlement between CUSO and the federal Consumer Financial Protection Bureau was announced on June 14.

The attorneys general alleged that ITT, with CUSO’s knowledge, offered students zero-interest, short-term loans upon enrollment and later pressured those students into accepting high-interest, long-term loans offered by CUSO. The vast majority of students later defaulted on these loans.

Under the settlement, CUSO has agreed to cease doing business and forego collection of the outstanding loans. CUSO’s loan servicer will send notices to affected borrowers and ensure that all automatic payments are canceled. The settlement also requires CUSO to update credit information for affected borrowers with the credit reporting agencies.

Students with questions about their rights under the settlement will receive further information by mail.

Joining Nebraska in this settlement were attorneys general from Alabama, Arizona, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa,

Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia and Wisconsin, and the District of Columbia.

To obtain information about how to protect yourself as a consumer, file a consumer complaint, or report a scam, please visit the Nebraska Attorney General's Office, Consumer Protection Division website at [www.protectthegoodlife.nebraska.gov](http://www.protectthegoodlife.nebraska.gov) or call (800) 727-6432.

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Please click the link to find the court documents: <https://bit.ly/2FwY3qi>

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