

For-Profit College Fraud Is a Big Problem

The state of Texas has requirement that, in order to receive state licenses, career training schools have to have job placement rate of a minimum of 60 percent. That's a good regulation. Provided that schools can back up the fact that they can get people jobs, they remain eligible for state licensing and, therefore, federal funding. Enter ATI. ATI was found to have been lying to the state about their job placement rates to keep their licensing. How do they lie? According to an article in the Huffington Post, they did it by making up jobs, making up employers, getting legitimate businesses to lie and by employing many other insidious methods.

This happened between 2007 and 2010. [For-profit college fraud](#) is a very serious issue. In fact, it's serious enough that it has resulted in FBI raids and Department of Justice actions. Right here in Dallas, one of our own television reporters worked very hard to bring this fraud to light. Unfortunately, some people ended up being defrauded before the full truth was known.

Really, Really Bad

One of the worst situations that people can run into is when they end up paying a lot for a college education but a college education does not result in them getting higher income earning potential. One of the lies that ATI engaged in was telling people that, if they reenrolled after dropping out, their federal loans would be forgiven. That's not true. Federal student loans are backed by the government and they are with you until you pay them off. There are some programs that allow for loan forgiveness, but they generally require you to work in a specific field under specific circumstances to get that relief. For instance, becoming a doctor in an area where there are few doctors available may entitle you to getting a bit of relief on your student loans.

Situations like these are enraging, frustrating and they tend to victimize people who are at a point in their life where they are really trying to do better. Fortunately, you're not without options if this happens to you. If an online school has defrauded you in any way, you should speak to an attorney about the matter. Attorneys are increasingly aware of this problem and, it just so happens that they have the skills and knowledge to help people get their money back. There's no guarantee that you'll get your money back, but you may very well stand a good chance if you have a strong case.