

Tech, the total haul in Federal dollars that year reached \$1.1 billion. Six years later, the whole ITT Tech house of cards collapsed in a cloud of scandal, leaving students and taxpayers holding the bag.

Now a new report by the Project on Predatory Student Lending reveals disturbing facts about ITT Tech—their deception, their high-pressure recruiting tactics, and other forms of fraud and abuse that they used to rack up massive profits. The report is entitled “Dreams Destroyed: How ITT Technical Institute Defrauded a Generation of Students.”

What makes this new report particularly damning is that the details of these abuses came not only from defrauded students but from the company’s own recruiters and top executives. Like the internal company memos that finally shed light on the inner workings of the tobacco industry, the ITT records reveal a company that prioritized profits over everything else.

Two years before ITT Tech’s collapse, the company’s disgraced CEO, Kevin Modany, wrote in an email to his marketing chief:

I do not have anything more important on my agenda . . . [recruitment] is my personal top priority.

Prospective students were lied to and bombarded with high-pressure tactics to get them to enroll and sign up for more and more and more student loans.

One former ITT Tech recruiter compared the working conditions to a “sweatshop,” where all that mattered was hitting a “quota.”

Appallingly, recruiters were instructed to use the “pain funnel,” they called it, which was a set of eight questions designed to reveal all prospective students’ vulnerabilities. By identifying a student’s pain points, such as working at a dead-end job or feeling unappreciated, recruiters were trained to exploit that pain and present ITT Tech as the solution to this poor student’s problems.

ITT Tech then inflated grades and falsified attendance records to keep students enrolled so they could squeeze out more Federal dollars and leave more student debt for the kids. The company routinely, falsely, filed financial aid forms, including stealing students’ passwords and signing financial aid forms without the students’ knowledge or consent. The list goes on and on.

The result: Modany and the ITT shareholders made millions. Taxpayers got ripped off. Students ended up holding the bag with worthless diplomas, if they finished, and with a mountain of student debt whether they finished or not.

What did Modany think about the students he was defrauding?

Look at his words. This is the man who was the executive who was doing this to these students.

He said: “Take off the gloves with the student and slug back. Do not hold back in any way, and anything that we

can put out there to question the legitimacy of his complaint we should most definitely do so. We need to call him out publicly.”

That is the kind of respect they had for these students.

Many of these students, as the majority leader knows, were first-generation college students. Their mothers and fathers were so proud that they were at ITT Tech—that they made it into college. Mom and dad thought they would have to work extra hours, but it would be worth it. It was a fraud from start to finish—a fraud on American taxpayers and a terrible fraud on these students and their families.

Modany was equally contemptuous of public officials who asked questions about ITT Tech’s business practices.

This 2015 email is a racist tirade against an Education Department official, Rohit Chopra, a longtime foe of predatory lenders who is now Director of the Consumer Financial Protection Bureau.

Mr. Modany rails that Mr. Chopra ought to be jailed at Guantanamo and waterboarded.

Now, you might say, “That’s great, but ITT Tech is gone. Why does it matter?”

First: There are still tens of thousands of ITT Tech students who were defrauded. Under the Higher Education Act’s Borrower Defense provision, their loans should be discharged by the Education Department.

The evidence revealed in this report—evidence collected by the Education Department and numerous State attorneys general—clearly shows that fraud was rampant and systemic at ITT Tech.

The Department should do more to provide ITT Tech borrowers with the relief to which they are entitled under the law—without requiring individual applications.

The second reason is stated in the report’s conclusion, which asserts “ITT was able to escape responsibility for its financial insolvency by declaring bankruptcy in September 2016. Its executives simply walked away from the disaster they created.”

Kevin Modany was fined \$200,000. But that is essentially a parking ticket for a man who made \$36 million defrauding students, taxpayers, and investors between 2007 and 2014.

The Federal Government must use its authority to hold for-profit college executives personally accountable. Claw back some of their fat profits to repay students and taxpayers.

And third, the for-profit college industry continues to prey on students using the same tactics as the band of thieves at ITT Tech.

For-profit Ashford University and its former parent company Zovio were just found to have given students false or misleading information about career outcomes . . . cost and financial aid . . . and transfer credits . . . to get them to enroll. Sound familiar?

Ashford was ordered to pay more than \$22.37 million in penalties.

But . . . Zovio recently sold Ashford to the University of Arizona while continuing to operate much of the school.

What actions will the Education Department take to protect students . . . and taxpayer dollars . . . at the now-renamed Arizona Global Campus—formerly Ashford?

I’ve spoken about these matters with both Education Secretary Miguel Cardona and Rich Cordray, head of the Department’s Federal Student Aid office.

I’m glad the Biden administration has committed publicly to improving enforcement at the Department of Education.

There are other ITT Techs out there. For the sake of students and taxpayers, the Education Department under this administration must begin to use its immense enforcement authority to protect them from the swindlers and conmen.

Mr. President, I have been talking about for-profit colleges for a number of years. Luckily, we have a President and a Secretary of Education who are putting watchmen in place, guardians of students in place, who believe that it is more important that kids are treated fairly and honestly than it is for some executive to make millions of dollars off of an abuse of the system.

I yield the floor.

#### RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

MR. SCHUMER. Mr. President, first, I want to thank my friend and colleague, the senior Senator from Illinois, not only for his wonderful remarks here today but for his passion on this issue. He was one of the first to blow the whistle on these colleges.

When you hear about this, it just boils your blood—boils your blood. These kids did nothing wrong. It is one of the reasons we believe student debt should be forgiven. The Federal Government gave them the loans—that was required by law—but they were taken advantage of through no fault of their own.

I wonder if this Mr. Modany has been prosecuted for any of these things. He does not deserve to have, probably, the millions he has on the backs of all of these students.

But I thank the Senator from the bottom of my heart. This boils our blood, what they did to these kids. That is one of the reasons we believe that the White House ought to forgive up to \$50,000 of student debt.

OK. Let’s go to another subject.

#### CORONAVIRUS

Yesterday, Mr. President, was, truly, a sorry sight here on the Senate floor. Senate Republicans, down to the last Member, blocked critical funding for more vaccines, more testing, more life-saving therapeutics that our country needs to protect against the dangers of future COVID variants.

The proposal we had before the Senate was exceedingly reasonable, carefully negotiated, and desperately needed, but Senate Republicans blocked a mere debate on COVID aid, knowing full well of the consequences for the American people. In knowing the consequences, Republicans said no to merely debating more money for booster shots and vaccinations and research into future treatments. In knowing the consequences, Republicans said no to merely debating more testing. In knowing the consequences, Republicans said no to merely debating no less than \$5 billion for lifesaving therapeutics—an indispensable tool for those with COVID illnesses.

And why did Republicans say no?

Because they wanted to cripple COVID funding legislation with poison pills that they knew would derail this bill—would derail the bill. Let me say it again. Instead of joining Democrats to begin a simple debate on COVID legislation, Republicans wanted to kill this bill with unrelated poison pills.

This is potentially devastating for the American people. Vaccines, therapeutics, and testing were negotiated in good faith, and they should not—they should not—be held hostage to extraneous, unrelated issues. This is too important for the health of our country.

The administration, for months, has made clear that new COVID funding is a matter of the highest urgency. Some critical COVID response measures are already being scaled back due to dwindling funding. Their message that Congress had to act—the administration’s message—was unmistakable.

I hope Republicans will get serious about this. It should not be so difficult to do something so good and important for our country.

Let me say one other thing.

Our Republican colleagues think they may be gaining some temporary advantage, but God forbid a second variant hits and people ask: Why aren’t the vaccines there? Why aren’t the therapeutics there? The answer will be that the Senate Republicans, to a person, blocked the ability to move forward and get this legislation done because they wanted to play politics and inject extraneous issues into the debate.

But it is not going to deter us from getting this done. It is vital for keeping schools, churches, business, and other communities open if and when a future, more potent variant rears its ugly head. It is certainly better to act now than to pay the price 10 times down the line. We are going to keep working to make sure that Congress sends COVID funding to the President’s desk.

#### NOMINATION OF KETANJI BROWN JACKSON

Mr. President, on SCOTUS, the U.S. Senate, happily, wonderfully, is on the brink of completing one of the most important responsibilities entrusted to it under the Constitution: consenting to the President’s nominee for the U.S. Supreme Court. As I said, happily and

wonderfully, it will be the first African-American woman to ever serve on that august body.

Any time the Senate elevates someone to the highest pinnacles of the Federal judiciary, the impact literally lasts a lifetime and, often, far beyond that. The men and women who sit on the Supreme Court have the power to render judgment on any question they see fit that comes before them. The consequences of their decisions are seen and felt and reckoned with from here to the farthest corners of our country. So confirming a Supreme Court nominee is, in other words, a big deal to the Senate—one of the biggest deals, in fact. And, before the week is out, the Chamber is set to follow through, once again, on this august and awesome responsibility.

But, of course, even though this is one of the biggest deals for the Senate to do in any situation, it is even a bigger deal now. This time is different. The nominee, the 116th Justice, is different in some important ways than those who came before.

Judge Ketanji Brown Jackson, like many before her, is brilliant, accomplished, and qualified to be on the Court, but never—never before—has the Supreme Court had a Black woman bear the title of Justice. She will be the first, and I have no doubt, in my mind, that she will pave the way for others in the future.

The exultation among so many who have waited for this moment—of young girls throughout America who may say, “I can do this, too”; the untapped potential even for young people, particularly women of color, who are not interested in the law or in the Supreme Court but who say, “I can go somewhere; I can do something; I can get there”—is going to be great for America.

There are many considerations that the Senate should ponder when we are faced with the question of confirming judges. Diversity and representation is certainly one of them. It is a key feature of a healthy and vibrant democracy. When Americans of all walks of life come before the court, of course they should have confidence that those who don the robes have the ability to walk in their own shoes—to see and understand their sides of the story.

That is why diversity of background and experience has been one of the most important priorities in the Senate as we have confirmed the President’s judges, and over the last year, as has been noted, we have made incredible progress on that front.

Of the 58 Senate-confirmed judges, three-quarters have been women, and two-thirds have been people of color. To be clear, these judges are diverse not just through their backgrounds but in their experiences. More public defenders, more civil rights attorneys, more nonprofit lawyers have been added to the Federal bench.

After years of the previous administration’s confirming judges who were

disproportionately White, disproportionately male, disproportionately from big law firms, Senate Democrats are working to bring balance back to our judiciary. It will make our democracy healthier, fairer, and stronger.

As the country grows increasingly diverse in this century, Judge Jackson’s confirmation will be a major step toward achieving that goal, and I so look forward to finishing the work to confirm this most qualified, most deserving, most historic nominee.

#### RUSSIA

Mr. President, finally, as Russia’s war in Ukraine reaches an abominable level of brutality—you see these pictures of the people, innocent civilians who were shot—young, old, children, men, women—every single American should unite on the side of the Ukrainian people and against Putin’s indiscriminate violence.

The pictures we have seen coming out of Ukraine and coming out of the town of Bucha are a pure manifestation of evil, hundreds of civilians murdered in cold blood—men, women, children, the elderly, the defenseless, people who were tied with their hands behind their backs, clearly civilians, shot in the back of the head because they are Ukrainians. It is the only reason. It is a genocide. It was called a genocide today by a Ukrainian official. It is a genocide. When these people are shot simply because of their nationality—they don’t have arms—that is genocide, especially when it occurs in the large numbers it has already, individuals trying to live their own lives, targeted to be killed because of their nationality.

Putin is a war criminal. When Putin says Ukraine and Russia are together after he did this, no Ukrainian is ever going to believe it. Even the isolated Putin must know that, but he is cornered. And so he is a war criminal.

Any nation that indiscriminately and intentionally targets civilians should not enjoy doing business with American companies. But, shamefully, Koch Industries is continuing to do business in Putin’s Russia and putting their profits ahead of defending democracy.

There is an explosive report this morning that the Koch political arm is now pushing for the United States to abandon our allies and back off the hard-hitting sanctions the Biden administration has imposed on Russia. The Kochs are selling out democracy for their own profits.

Every Senator—Democrat, Republican—we all care about Ukraine. Every Senator needs to condemn this push by the Koch brothers and call on Koch Industries to immediately suspend their operations in Russia. I look forward to every tough-talking Senate Republican to come here to the floor and call out the Koch brothers for undermining America’s resolve against Putin’s illegal, unprovoked, and criminal invasion of Ukraine.

Senate Democrats are working on legislation to add Russia to existing