

Testimony of Diane Barta
Student Loan Bankruptcy Reform Hearing
U.S. Senate Judiciary Committee
August 3, 2021

Chairman Durbin, Ranking Member Grassley, Members of the Committee. Good morning. My name is Diane Barta. I am 50 years old. I am a network manager living in Richmond Hills, Georgia. I have been married to my husband Chris for 12 years and we have two children, Reagan age 10 and Carter age 5. I have over \$120,000 in outstanding student loan debt.

I began my education at Central Technical College in Macon, Georgia, where I received an associate's degree of Applied Sciences. I then transferred to Troy University where I completed a bachelor's degree in Applied Sciences and Technology Management. Upon completing my Bachelor's, I started working in technology for the school district, but I wanted to teach. So, I undertook a master's degree. In 2011 I enrolled at Ashford University online. I had also done my undergraduate through Troy University's e-campus, so I was comfortable with the online structure.

I had a Pell Grant to help pay for my associate's degree. But I had to take out loans, as well, for the rest of my schooling because neither my parents nor I could afford the cost. In fact, I am the only one of my siblings who attended, let alone completed, college. And, although I had to take some loans for undergrad, the price tag to attend Ashford was much, much higher. It required me to take out almost \$54,000 in loans, that is in addition to \$30,000 in loans from my associate's and bachelor's degrees and almost \$36,000 in interest.

You may be aware of Ashford University, which has been under scrutiny and lawsuits because of defrauding individuals. It started as a small Catholic, liberal arts college in Iowa. Then Bridgepoint Education purchased it, turned it into a for-profit online school, took it public, and shut down the Iowa campus. In the meantime, it sold many students, including me, on the idea that it would provide a high-quality education in a convenient manner. In fact, I enrolled at Ashford because recruiters told me that the program I was starting--a master's in teaching and learning with technology--would allow me to begin teaching online right after I finished. I have applied for many online teaching positions since completing my degree and never even been offered an interview. I now know that Bridgepoint and Ashford have been investigated or sued by five separate states and at least three federal agencies for lying to students and others.

In 2012 my husband lost his job as a commercial plumber. At that point 100 percent of our bills, our vehicles, everything was in my name. So when, without his income, we couldn't make our payments, I had to file for Chapter 13 bankruptcy. I cried when I did it. But we didn't have any other options. And then I found out from the lawyer that I couldn't include my student loan debt -- our biggest debt -- in the bankruptcy. Despite paying back for 5 years, I still have \$120,341 in student loan debt. Even though my husband eventually found a new job, we are still not able to manage the monthly payments on my student debt, which are over \$1,000.

I have tried to find other ways to responsibly pay back my loans. When I tried to enroll in an income-based repayment plan, however, I was told that I made too much to qualify. But, who can afford to pay more than \$1,000 a month just for student loans, especially when trying to raise children? I had

to put my loans into forbearance twice to avoid defaulting. I have also recently applied for a borrower defense to repayment for the debt I took on to attend a worthless master's program at Ashford. And my payments are currently paused because of the pandemic, but I worry what will happen when the pause ends and I still cannot afford to pay the high monthly payments. Will the government garnish my wages? How will I afford to support my family then?

If I could have discharged my loans in bankruptcy – as painful as filing was – it would ultimately have been a great relief. I wouldn't still be having sleepless nights worrying about how I am going to pay and what happens to my children, my husband, and me if I cannot.