

DOE Using Its Own SWAT Team to Arrest Those in Default on Fraudulent Student Loans

June 16, 2011 - Even if you are avid consumer of news, you may have missed this story over the past week. After all, even if you watch the news every night, for the past week the lead story has been Anthony Weiner. But, as an avid consumer of news myself I do have to say that I was more than a little surprised to find out through a blog post that the Department of Education (DOE) actually had its own SWAT team. And I was even more surprised to find out that this team has apparently been deployed to collect on bad debts.

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The story came to light when the DOE team raided the Stockton, CA home of Kenneth Wright. They weren't looking for Mr. Wright, but for his estranged wife. From the looks of it, the story only made the local news and was never circulated nationally.

Wright was awakened early on the morning of June 7th when his door was broken down and dragged from his home in his boxer shorts. He was handcuffed and placed in the back seat of a squad car for the next six hours while his house was searched. Wright's three children, between the ages of 3 and 11 were also woken up and placed in the same car. All of this while his neighbors watched.

The DOE has been rather tight lipped regarding the raid but they have said that the purpose of the raid was not because Mrs. Wright was in default on her loans. They apparently suspect her of being involved in student loan fraud; that she may have provided false statements and income information to the government in order to obtain student loans. The search warrant was specifically to look for documentation on income and electronic communications used to obtain student loans.

The team that conducted the raid was from the DOE's Office of the Inspector General. This particular office operates independently within the DOE and which investigates criminal activity on their behalf and executes search warrants.

The message that is being sent is fairly clear. If you are going to apply for federally backed student loans, lying on your application can get you into a world of trouble. And defaulting on your student loans may be enough to get DOE examiners to look a little more closely at your application.

byJim Malmberg

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