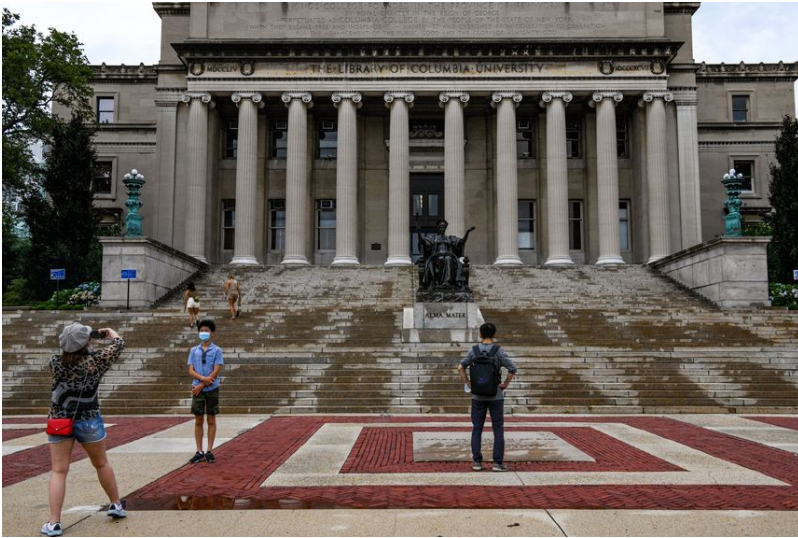


<https://www.wsj.com/articles/justice-department-urges-judge-not-to-dismiss-college-financial-aid-antitrust-case-11657237002>

U.S. EDUCATION

# Justice Department Urges Judge Not to Dismiss College Financial Aid Antitrust Case

Lawsuit alleges 17 schools illegally colluded to limit aid offerings



*By Melissa Korn*

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The Justice Department weighed in Thursday on an antitrust lawsuit against 17 colleges and universities, challenging the schools' legal arguments in a request to dismiss the case.

The lawsuit, filed in Illinois federal court in January and seeking class-action status, names as defendants prestigious institutions including Columbia University, Vanderbilt University and the University of Chicago.

According to the suit, the schools engaged in price fixing and unfairly limited aid by using a shared methodology to calculate applicants' financial need. Schools are allowed under federal law to collaborate on their formulas, but only if they don't consider applicants' financial need in admissions decisions.

The suit alleges these schools do weigh candidates' ability to pay in certain circumstances—for instance, by giving an edge to donor families or when pulling applicants off a waitlist—and therefore shouldn't be eligible for the antitrust exemption.

In a court filing known as a “statement of interest,” the Justice Department pushed back on the schools’ claim that they’re protected as “unwitting conspirators,” unaware that other member schools aren’t need-blind.

That argument “stretches the 568 Exemption beyond its text,” the Justice Department wrote in the filing, referring to the loophole covering need-blind schools. The government added that it’s irrelevant whether particular schools knew if other institutions were need-blind.

The Justice Department’s filing doesn’t explicitly back the plaintiffs, it just urges the judge to not throw the case out at this stage. The government’s filing says it “offers no view” on the factual claims or other motions to dismiss the case filed by Yale University, Brown University, Emory University, Johns Hopkins University and the University of Chicago.

A court hearing is set for next month to address the schools’ efforts to dismiss the case.

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