

Remarks from John Kamin
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The American Legion
Before the Public Hearing
“Negotiated Rulemaking for Higher Education 2017”
July 10th, 2017

On behalf of National Commander Charles E. Schmidt and the 2.1 million members of The American Legion, I thank you for the time to speak during this hearing.

As the largest veterans organization in the country, we do not come here with an ideological agenda. We are not interested in attacking one sector of higher education or another, but rather to ask the Department of Education a simple question: will it continue to protect Veterans and Service members transitioning to higher education, completing degree programs, and obtaining career-ready skills? If so, how?

We can report that it is a **fact** that veterans are often singled out and targeted with deceptive, fraudulent, and predatory college recruiting practices. The Eisenhower Administration first discovered this with the original GI Bill, and the phenomenon continues 73 years later.

As the drafters of the original GI Bill, The American Legion’s abiding imperative has been to promote policies that ensure that every single veteran or servicemember who enrolls in higher education graduates, with a credential or degree that is worth the cost and leads to meaningful employment which will allow them to lead a successful life after their time in the service.

We will continue to assert that the Department of Education has a critical responsibility to enforce policies and rules that protect America’s veterans and servicemembers, especially from schools and programs that will leave them in deep debt for worthless degrees, do not lead to gainful employment, and recruit using fraudulent claims.

As a membership based organization all of our positions are derived from resolutions passed by our Legionnaires. In accordance with *Resolution No. 318, Ensuring the Quality of Servicemember and Veteran Student’s Education at Institutions of Higher Education*, we have three request for the Department of Education as it’s rewriting its rules:

1. **Veterans must be included on any new negotiated rulemaking committee, as they have been for previous negotiations.** We are happy to work with the Department and other VSOs to find negotiators who can accurately represent our unique experiences.
2. **The Department must maintain strong rules to ensure that veterans and servicemembers are gainfully employed.** We support the current gainful

employment rules as written, and we urge the Department to fully enforce the current rules and to start the next round of Gainful Employment immediately. Programs that fail to prepare our members for gainful employment do not deserve taxpayers' or our veterans' dollars.

- **Additionally we are disappointed in the Department's decision to delay gainful employment disclosure requirements.** With all the aggressive recruiting and predatory marketing out there, disclosures ensure that our members know whether a degree is worth paying for so that they can be empowered to make informed decisions.

- This consumer information needs to prominently be on schools' websites, in their advertisements, and in enrollment materials because our members deserve the right to know what they are paying for. Regardless of the sector, we want to champion the schools that demonstrate their value. The Department needs to immediately enforce this section of the rule.

- In fact, in new rulemaking, the Department should consider ways to ensure that these disclosures specifically mention the debt, completion, and earnings outcomes of veterans and servicemembers.

3. The Department must have effective rules to help defrauded veterans and servicemembers get full debt relief.

- Thousands of veterans have been defrauded over the years – promised their credits would transfer when they wouldn't, given false or misleading job placement rates in marketing, promised one educational experience when they were recruited, but given something completely different. This type of deception against our veterans and servicemembers is unfair and shameful.

- **We believe there should be a process for group relief** so that in instances of widespread fraud - or when a state attorney general is acting on behalf of our members – veterans don't have to jump through a bunch of hoops, fill out unnecessary government paperwork, or participate in complicated bureaucratic hearings to get their loans forgiven.

- **We also support key provisions in the current rule, including the standard for misrepresentation and automatic closed school discharges after 3 years** – simply because these provisions create the easiest path to relief for veterans when their schools close.

- And finally, the Department needs to implement the Borrower Defense rules that they delayed. This delay means that veterans who start school this fall could still be forced to sign predatory arbitration agreements. That's unacceptable.

As we speak, thousands of pending applications for relief – including many of the veterans who attended schools like ITT Tech or Corinthian remain unopened. These are the people who are left holding the tab as these questions are litigated today.

And until every veteran's application for a loan discharge has been processed, we will continue to demand accountability.

We look forward to working with the Department of Education to correct these issues.