

Predatory Colleges, Freed to Fleece Students

By The Editorial Board

The editorial board represents the opinions of the board, its editor and the publisher. It is separate from the newsroom and the Op-Ed section.

May 22, 2018

Try as they might, the Trump administration and Republicans in Congress cannot disguise that they continue to do the bidding of the for-profit college industry, which has saddled working-class students with crushing debt while providing useless degrees, or no degrees at all.

Education Secretary Betsy DeVos claimed ignorance when she was asked during a congressional hearing last Tuesday how many of the college students who told her department that they had been ripped off were complaining about for-profit schools. The widely publicized answer is more than 98 percent.

For-profit college fraud dates back to the inception of the G.I. Bill during World War II. A congressional investigation during the 1950s found that schools had cropped up to fleece veterans. Since then, Congress has intermittently tightened regulations, only to loosen them under industry pressure, leading to a cycle of exploitation.

The problem became so pervasive that 37 state attorneys general joined forces to combat it. Attorneys general are not only suing abusive for-profit schools, they are suing the federal government.

The federal government was shamefully late to this effort but finally found its footing after the Consumer Financial Protection Bureau opened its doors in 2011. In 2014, the bureau sued Corinthian Colleges, which soon collapsed amid charges that it had lured poor and working-class students by lying to them about job-placement rates — then saddled them with predatory loans.

Congress was forced to confront the problem last year when it passed the Forever G.I. Bill, which restored veterans benefits to thousands of men and women who had found themselves shut out of school when for-profit programs charged with fraud closed their doors.

Ms. DeVos seems to have learned nothing from this history. Indeed, as The Times reported earlier this month, the Education Department has undermined investigations of the industry by marginalizing or reassigning lawyers and investigators who had been assigned to this matter during the Obama years. Major investigations had been abandoned, including those of the DeVry Education Group (now known as Adtalem Global Education), Bridgepoint Education and Career Education Corporation.

The House would further weaken fraud protection in a bill to overhaul the Higher Education Act. That effort would do away with rules that deny federal aid to career education programs that have historically burdened students with loans far beyond their capacity to pay. It would make short-term or untested programs eligible for federal aid for which they do not now qualify. The bill would also blur the distinction between for-profit and other colleges, allowing for-profit career training programs to escape regulatory scrutiny that is now required under federal statute and regulation.

This romance with financial predators will be hard to defend for Republicans facing re-election. It should be.

Follow The New York Times Opinion section on Facebook and Twitter (@NYTOpinion), and sign up for the Opinion Today newsletter.

A version of this article appears in print on May 28, 2018, on Page A18 of the New York edition with the headline: Predatory Colleges, Freed to Fleece