

POLITICS

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Veterans Groups Seek a Crackdown on Deceptive Colleges

By Gardiner Harris

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WASHINGTON — Some of the nation’s largest veterans and military organizations sent letters last week to the Veterans Affairs Department asking it to crack down on colleges that prey on veterans by charging exorbitant fees for degrees that mostly fail to deliver promised skills and jobs.

The letters were signed by top officials at the American Legion, the National Military Family Association, the Military Officers Association of America and nearly 20 other groups. They called on the department to improve its oversight of colleges that have engaged in deceptive recruiting and other illicit practices but that continue to receive millions in funding under the G.I. Bill.

“We encourage you” to take steps against the dozen or so colleges facing “federal and state action for deceiving students,” one of the letters says.

The career training and for-profit college industry has been accused in recent years of exploiting veterans, poor people and minorities. Veterans are an especially enticing target because, under a loophole in federal law, money from the G.I. Bill does not count against a cap on federal funding to for-profit schools.

The Veterans Affairs Department has traditionally done little to police the for-profit college industry despite handing more than \$1.7 billion for the 2012-13 school year to for-profit colleges. A 2014 Senate report found that seven of the eight for-profit

college operators that received the most money from the department were under investigation by state or federal authorities for misleading recruiting practices or other violations of federal law.

In an emailed statement, Terry Jemison, a spokesman for the department, said it relied largely on states to police the industry. State agencies “are required to ensure that all schools, including nonaccredited schools, have been licensed to operate in their state,” Mr. Jemison wrote.

But a recent study by Yale law students found that the department was required by statute to enforce federal education guidelines prohibiting fraudulent practices. Democrats on Capitol Hill have cited the study as more evidence that the department is failing to protect veterans from predatory practices.

“The failure to crack down defies not only the White House priorities and congressional demands, but logic and common sense,” Senator Richard Blumenthal, Democrat of Connecticut, said in an interview.

The industry, defending itself against the allegations, says it offers nontraditional students a flexible way to gain career skills.

“Those that demonize our sector do so because of ideological reasons, not rational arguments,” said Michael Dakduk, a vice president at the Association of Private Sector Colleges and Universities. “For the veteran holding down a part-time or full-time job in addition to their studies, our sector’s institutions and programs are the right fit.”

“Our sector continues to support more consumer education and resources for veterans, service members and their families,” Mr. Dakduk added. “We look forward to working with members of the veterans community, as we have done in the past, to strengthen resources for student veterans and their families.”

But among those who have called for better oversight of the G.I. Bill are the veterans department's own education advisory committee and a group of eight state attorneys general who have sued for-profit colleges, accusing them of consumer fraud.

The institutions that have failed to meet regulatory standards or been accused of violating legal statutes include tiny beauty schools with staggering loan default rates and online law schools with dismal graduation rates and no bar association accreditation. Without government money, few of these institutions could attract students or stay in business.

Corinthian Colleges, once one of the largest for-profit college chains, went bankrupt last year after the Education Department suspended its access to federal student aid. The chain was accused of false advertising, including exaggerations about its students' career placement.

Education advocates say the veterans department's unwillingness to police a program that costs taxpayers billions is difficult to understand.

"The veterans we serve are understandably angry when they discover that the very consumer fraud they faced at a predatory school is one the V.A. knew about but approved for G.I. Bill benefits anyway," said Carrie Wofford of Veterans Education Success, a nonprofit group.

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