

September 13, 2018

The Honorable Betsy DeVos
Secretary of Education
U.S. Department of Education
400 Maryland Ave. SW
Washington, DC 20202

RE: Docket ID: ED-2018-OPE-0042-0001, Proposed Gainful Employment Rule Rescission

Dear Secretary DeVos:

Veterans and military organizations have previously spoken out loudly in two letters to the Department (both attached) and in testimony at public hearings (quotes attached) against the repeal of the Gainful Employment Rule.

The Gainful Employment Rule was implemented to stop waste, fraud, and abuse, and to protect United States taxpayers from being bilked by career education programs that leave students without career opportunities or adequate jobs, while at the same time burdening them with substantial debts. Additionally, the rule provides students with important information needed to make informed decisions about college choice. We strongly urge you to abandon your proposal to eliminate the rule entirely and we urge you to start enforcing the existing Gainful Employment Rule.

The Gainful Employment Rule, which was finalized in 2014 and upheld by the federal courts multiple times, implements the requirement in the Higher Education Act that career education programs (whether for-profit, public, or non-profit) must “prepare students for gainful employment in a recognized occupation.”¹ It gives the lowest performing schools a three-year warning to improve - more than ample time to correct their problems - and then removes them from federal funding for consistently leaving students with worthless degrees and student loan debt they cannot repay. The rule weeds out substandard programs that leave students and veterans worse off and fleece taxpayers.

The Department Has a Legal Obligation to Stop Waste, Fraud, and Abuse, and to be Good Stewards of Taxpayer Dollars

The Education Department has a legal obligation to stop waste, fraud, and abuse of Title IV funds and to be good stewards of taxpayer dollars. The Department was founded on promoting the public interest and general welfare; willfully allowing taxpayer dollars to be wasted on subpar education, that fails its basic mission, violates this mandate. *See generally* 20 U.S.C. § 3402 (“The Congress declares that the establishment of a Department of Education is in the public interest, will promote the general welfare of the United States . . . [and] to increase the accountability of Federal Education programs to the President, the Congress, and the public”);

¹ 20 U.S.C. § 1088.

section 141(b)(2)(vi) of the Higher Education Act (“[T]he PBO shall be responsible for the administration of Federal student financial assistance programs authorized under title IV . . . including the following: (A) the administrative, accounting, and financial management functions for the Federal student financial assistance programs authorized under title IV, including . . . (vi) ensuring the integrity of the Federal student financial assistance programs authorized under title IV”).

The Departments of Defense and Veterans Affairs Rely on the Education Department to Serve as the Gatekeeper in Determining Which College Programs are Worthy of Federal Investment

The Department also has a legal obligation to ensure students receive a proper education. This includes veterans and servicemembers, because the US Departments of Defense (DOD) and Veterans Affairs (VA) both explicitly, statutorily rely on the Education Department to be the gatekeeper in determining which college programs are worthy of federal investment.

For example, the Defense Department is limited in the programs it can approve for college Tuition Assistance to those approved and operating under an active Title IV program participation agreement. *See* 10 U.S.C. §2006(a). Similarly, the Department of Veterans Affairs regularly relies on the Education Department to determine if a college is worth the federal investment.

DOD and VA therefore rely on the Education Department to properly perform the function of gatekeeping. By abdicating its responsibility with regard to schools that fail the existing Gainful Employment regulation, the Education Department is failing its obligation to taxpayers, students, and to other federal agencies that rely on it.

The Department is Well-Aware that Veterans and Servicemembers are Especially at Risk of Waste, Fraud, and Abuse by Low-Quality Colleges, and Therefore Have a Heightened Interest in the Gainful Employment Regulation

Veterans and servicemembers and their beneficiaries are often bombarded with misleading and aggressive marketing and recruiting by substandard colleges hoping to use GI Bill dollars to get around the 90/10 rule. Holly Petraeus, then-head of the US Consumer Financial Protection Bureau’s office of Servicemember Affairs, wrote in the *New York Times*:²

"Put simply, the rule says that a for-profit college must obtain at least 10 percent of its revenue from a source other than Title IV education funds, the primary source of federal student aid. Funds from Tuition Assistance and the G.I. Bill are not defined as Title IV funds, so they count toward the 10 percent requirement, just like private sources of financing.

Therein lies a problem. For every service member or veteran (or spouse or child, in the case of the post-9/11 G.I. Bill) enrolled at a for-profit college and paying with military

² Hollister Petraeus, “For-Profit Colleges, Vulnerable GIs,” *New York Times* (Sept. 21, 2011), <https://www.nytimes.com/2011/09/22/opinion/for-profit-colleges-vulnerable-gis.html>.

education funds, that college can enroll nine others who are using nothing but Title IV money.

This gives for-profit colleges an incentive to see service members as nothing more than dollar signs in uniform, and to use aggressive marketing to draw them in and take out private loans, which students often need because the federal grants are insufficient to cover the full cost of tuition and related expenses."

The Department is well-aware that veterans and servicemembers are targeted with deceptive and aggressive recruiting by low-quality colleges because of the 90/10 rule. The Department has published reports on this very topic. *See, e.g.*, U.S. Department of Education, "New Analysis Finds Many For-Profit Colleges Skirt Federal Funding Limits": 90/10 Data Released (Dec. 21, 2016).⁴

Moreover, veteran and military leaders more than adequately alerted the new leadership of the Education Department about this issue by providing the Education Department ample information about the risk to servicemembers and veterans by allowing low-quality colleges to bilk students and taxpayers, including:

- Written public comments from 34 of the nation's leading veteran and military service organizations filed in September 2017 (Attachment 1) that stated, in part:

As you know, service members, veterans, and their families and survivors are specifically targeted for fraud and seen "as nothing more than dollar signs in uniform"⁵ by unscrupulous colleges. Often, the lowest quality education programs are those that engage in the most consumer fraud of veterans.

The Education Department must do all it can to ensure that American heroes who have served their country are treated with honor and respect when they become college students, and that they can trust the federal government's stamp of approval that a program is worth their hard-earned GI Bill benefits. The Department should push for higher quality and better gatekeeping.

- Written public comments from 33 of the nation's leading veteran and military service organizations in July 2017 (Attachment 2) that stated, in part:

[S]ervice members, veterans, and their families are specifically targeted for fraud by unscrupulous colleges because of the 90/10 loophole in the Higher Education Act, as has been widely documented. The former head of the Office of Servicemember Affairs at the Consumer Financial Protection Bureau (CFPB), Holly Petraeus, explained that the 90/10 loophole incentivizes predatory colleges

⁴ U.S. Department of Education, "New Analysis Finds Many For-Profit Colleges Skirt Federal Funding Limits," (Dec. 21, 2016), available at <https://www.ed.gov/news/press-releases/new-analysis-finds-many-profits-skirt-federal-funding-limits>.

⁵ Consumer Financial Protection Bureau, (2011). "Seeing servicemembers as 'dollar signs in uniform,'" <https://www.consumerfinance.gov/about-us/blog/seeing-servicemembers-as-dollar-signs-in-uniform/>.

“to see service members as nothing more than dollar signs in uniform, and to use aggressive marketing to draw them in.”⁶

As you know, when predatory college recruiters defraud servicemembers, veterans, and their families, they frequently also load the students up with student loans, sometimes without the students’ knowledge.

Veterans express anger when they discover the federal government knew a program produced lousy student outcomes or was under law enforcement action for defrauding students, but allowed them to waste their time and GI Bill benefits enrolled in it. The Departments of Defense and Veterans Affairs rely on leadership by the Education Department in determining which education programs are worthy of federal student aid. Therefore, it is critical that the Education Department ensure programs meet the federal statutory requirement of gainful employment in a recognized occupation.

- Oral Testimony at Education Department’s public hearings on July 10, 2017, and July 12, 2017 (longer quotes in Attachment 3), that included:
 - **Blue Star Families:** *“Military families should not have to experience [being targeted] to fulfill their personal goals and/or to financially contribute to the essential and vital dual-income family lifestyle that they live.... Gainful employment provisions that address this issue on the front-end are 100% necessary.”⁷*
 - **Iraq and Afghanistan Veterans of America:** *“The Gainful Employment rule... was established to protect students from the predatory practices of inadequate schools that seek to sell them useless education programs and burden them with large student loan debt and little access to the jobs that they wanted. We should fully enforce the Gainful Employment Rule to reduce the odds of situations like [Corinthian and ITT] occurring again. [The] Rule encourage[s] reforms by distinguishing the worst actors in the for-profit sector from those that are delivering quality education programs.”⁸*
 - **Student Veterans of America:** *“This common-sense requirement applies to career education programs at all types of colleges (public, nonprofit, and proprietary) and protects both students and taxpayers from waste, fraud, and abuse. Additional resources ought to be committed to ensure this regulation is*

⁶ *Id.*

⁷ Heather Donnithorne (Manager of Special Projects at Blue Star Families), Testimony before the Department of Education, July 10, 2017, available at <https://static1.squarespace.com/static/556718b2e4b02e470eb1b186/t/5964bc05414fb52a415d2d74/1499773961275/Blue+Star+Families+Testimony+Dept+of+Ed+HJD+07102017.pdf>.

⁸ Melissa Bryant (Director of Political and Intergovernmental Affairs of Iraq and Afghanistan Veterans of America), Testimony before the Department of Education, October 4, 2017, available at <https://static1.squarespace.com/static/556718b2e4b02e470eb1b186/t/59d58cdd59cc68289c43bd8d/1507167453948/IAVA+Education+Dept.+Hearing+Remarks-October+4%252C+2017.pdf>.

fully implemented, to prevent schools with poor outcomes from continuing to deceive student veterans.”⁹

- **Veterans Education Success:** *“Since 2012, the FTC, CFPB, Justice and numerous state Attorneys General have concluded 17 settlements with for-profit schools. The basis for these settlements were findings of misleading and deceptive advertising and recruiting, including misrepresenting costs, quality, accreditation and the transferability of credits, job placement rates, and post-graduation salaries. Gainful Employment will help protect veterans by shutting down and requiring warnings for career education programs that leave students with too much debt relative to income.”¹⁰*
- **Vietnam Veterans of America:** *“Too many veterans have been scammed by for-profit institutions of higher learning for which profit is the bottom line and educational opportunities have little importance. VVA has heard countless stories of benefits wasted on bogus degree programs.”¹¹*
- Oral Testimony on July 10, 2017, and July 12, 2017, from veterans who had been defrauded:
 - Testimony of Army veteran Ryan Clark (partial quote):

“Through my distressed history with for-profit colleges I have listened to countless other veteran's tales with abject horror at how they were treated. In my own experience, I felt it was my vulnerability and ignorance that was exploited for further gain by the institution over my best interests. This would be my true conclusion, that too often our education institutions who operate for explicit profit are given the benefit-of-the-doubt that they're working in the best interests of the student who is in fact simply viewed as a number and invoice. I was an active-duty, deployed soldier and still felt exploited. If this is a situation where one does not call for the increased protections provided by these rules, I am unsure how much further an institution can fall before sufficient action would be taken.”¹²

⁹William Hubbard (Vice President of Government Affairs at Student Veterans of America), Testimony before the Department of Education, October 4, 2017, available at https://static1.squarespace.com/static/556718b2e4b02e470eb1b186/t/59d585dbf7e0abe5b1ab9876/1507165660380/SVA+Public+Comment_ED+EO+13777+Hearing.pdf.

¹⁰Walter Ochinko (Research and Policy Director at Veterans Education Success), Testimony before the Department of Education, July 10, 2017, available at <https://static1.squarespace.com/static/556718b2e4b02e470eb1b186/t/5963daebbf629af21c096f6f/1499716332044/VES+-+ED+Public+Hearing+-+oral+comment+June+10%252C+2017.pdf>.

¹¹Bethany Keirans (Assistant Director for Policy and Government Affairs at Vietnam Veterans of America), Testimony before the Department of Education, October 4, 2017, available at <https://static1.squarespace.com/static/556718b2e4b02e470eb1b186/t/59dd05a48419c2bc5a9f07dd/1507657125089/Bethany+Keirans+Testimony+-+ED+Student+Aid+Protections.pdf>.

¹²Ryan Clark (veteran), Testimony at the Department of Education, July 12, 2017, available at <https://static1.squarespace.com/static/556718b2e4b02e470eb1b186/t/596778e6f5e231692da76470/1499953382289/Ryan+Clark%3B+Ed+hearing+testimony.pdf>. Video available here at minute 00:29: <https://www.facebook.com/higherednotdebt/videos/1977892759139950/>.

- Testimony of Navy veteran Kevin Thompson (partial quote):

“I have served in the US Navy for 20 years, have over 3,500 flight hours, multiple tours to the gulf in support of Operation Desert Shield, OEF and OIF... I request that you do anything that you can to stop schools like ITT Tech from taking individuals funds, lives and dreams. Make schools be more open about what type of jobs their graduates are able to be employed, being in the area of study or general. Lastly, hold schools accountable for the false promises and enable individuals like my son and myself to recover the funds given to these institutions.”¹³

In addition, the Department heard from the veterans and servicemember representatives on the Gainful Employment negotiated rulemaking panel.

The Education Department is Failing Its Obligation to Stop Waste, Fraud, and Abuse and to Protect Taxpayer Dollars – and the Department’s Rescission of the Gainful Employment Rule Will Make This Worse

Waste, fraud, and abuse of taxpayer funds in higher education is already rampant, and the Department’s rescission of the Gainful Employment Rule will worsen the waste, fraud, and abuse.

This waste, fraud, and abuse hurts taxpayers and students – but especially veterans and servicemembers who are targeted for deceptive and aggressive recruiting by low-quality colleges.

According to a 2014 Senate Report, 7 out of the 10 schools receiving the most GI Bill dollars were under law enforcement investigation or action for defrauding student veterans. Eight of these schools received about \$1 billion in GI Bill dollars.

At these substandard schools, the institutional spending on instruction is often extremely low compared to other schools, and often significantly lower than what these subpar schools spent on marketing and profit. For example, in the 2014-2015 school year, private non-profit schools spent \$17,567 per student on instruction in 4-year programs, as compared to \$10,221 at public schools while for-profit schools only spent \$ 3,948 per student on instruction.¹⁵ The University of Phoenix, a glaring example of the disparity in spending on student instruction, received the most GI Bill funds in 2014-2015, and spent only \$2,126 on instruction per student at its largest campus.¹⁶ For-profit colleges spend substantially more money on marketing and profit than

¹³ Kevin Thompson (veteran), Testimony before the Department of Education, available at <https://static1.squarespace.com/static/556718b2e4b02e470eb1b186/t/5963fdb4e4fcb516cba22463/1499725236870/Kevin+Thompson%3B+DoEd+hearing.pdf>. Video available here <https://www.dropbox.com/s/26p94s97ep18xyf/July%20Hearing%20Veteran.mpeg?dl=0>.

¹⁵ Institute for Education Sciences, National Center for Educational Statistics, “Fast Facts,” available at <https://nces.ed.gov/fastfacts/display.asp?id=75>.

¹⁶Institute for Education Sciences, National Center for Educational Statistics, “Integrated Postsecondary Education Data System (IPEDS),” available at <https://nces.ed.gov/ipeds/use-the-data>.

private nonprofit or public universities. According to a U.S. Senate Health, Education, Labor & Pensions Committee Report, in 2009 publicly traded for-profit colleges set aside nearly 20 percent of revenue on profit, generating a total of \$3.2 billion in profit,¹⁷ and 22.7% on marketing and recruiting at the 30 for-profit education companies examined in the Committee report.¹⁸ This illustrates that instruction and improving educational opportunities oftentimes take a back seat when fiduciary duties to shareholders and maximizing profits are prioritized.

In 2010, substandard colleges that were examined by the Committee employed two and a half recruiters for every student support employee.¹⁹ University of Phoenix had a student population of nearly 500,000 but zero career placement staff as of 2010, while Ashford University employed one career placement official for the entire student population of over 77,000 as of 2010.²⁰

Undercover agents from the U.S. Government Accountability Office found programs granting credit for obviously plagiarized work and for plain unacceptable work, including a submission of celebrity photos as a response to an essay assignment.²¹

It is essential that the Gainful Employment Rule remain in place to weed out low-quality, substandard career college programs with questionable academic rigor, few student services, and insufficient job placement services.

Students continue to file complaints with the Education Department and VA. Attachment 4 provides a sample of student veterans' complaints about having difficulties finding gainful employment after attending substandard college programs.

A Strong Gainful Employment Rule Combats the Worst Colleges that Fleece Veterans, Servicemembers, and Taxpayers

A strong Gainful Employment Rule combats low-quality colleges that fleece veterans, servicemembers, and taxpayers.

The Gainful Employment Rule ensures taxpayer dollars are being spent effectively, and that taxpayer-backed federal student aid brings a Return on Investment to taxpayers through future employment and self-sufficiency for students. The career college industry serves only 9% of college students but accounts for 32% of the nation's student loan defaults.²²

¹⁷ U.S. Senate Health, Education, Labor, and Pensions Committee, "For Profit Higher Education: The Failure to Safeguard the Federal Investment and Ensure Student Success," at 81-82, July 30, 2012, available at https://www.help.senate.gov/imo/media/for_profit_report/PartI-PartIII-SelectedAppendixes.pdf.

¹⁸ *Id.*

¹⁹ Institute for Education Sciences, National Center for Educational Statistics, "Integrated Postsecondary Education Data System (IPEDS)," available at <https://nces.ed.gov/ipeds/use-the-data>.

²⁰ *Id.*

²¹ U.S. HELP Committee Report, *supra* note 17, at 17.

²² Protect Student and Taxpayers, "Protect Students and Taxpayers, Not wasteful Programs: Oppose Efforts to block the Gainful Employment Regulation," March 7, 2011, available at

The first release of gainful employment data showed that more than 350,000 students graduated from the substandard programs with nearly \$7.5 billion in unaffordable debt.²³ Hundreds of these programs are still enrolling new students today.²⁴

Indeed, by rescinding the Gainful Employment rule, the Education Department would cost taxpayers an additional \$5.3 billion. Specifically, the Congressional Budget Office (CBO) estimates that repealing the Gainful Employment Rule would increase spending by \$5.3 billion over ten years by leaving students in subpar programs that will cost taxpayers through wasted student aid and loan defaults.²⁵ As the Department wrote in the Notice of Proposed Rulemaking:

*“Therefore, the total estimated net budget impact from the proposed regulations is \$5.3 billion in increased transfers from the Federal government to Pell Grant recipients and student loan borrowers and subsequently to institutions, primarily from elimination of the ineligibility provision of the GE regulations.”*²⁶

It is unconscionable for the Department to waste \$5.3 billion of taxpayer funds – as well as students’ time and one-shot at Pell Grants and GI Bill – on the worst-quality college programs. This is an abdication of the Department’s statutory obligation to be good stewards of taxpayer dollars. *See generally* 20 U.S.C. § 3402; section 141(b)(2)(vi) of the Higher Education Act.

The Gainful Employment Rule ensures taxpayer dollars are being spent effectively, and that taxpayer-backed federal student aid is investing in future employment and self-sufficiency for students.

The Department’s Rescission Will Hurt Veterans and Servicemembers

The Department’s rescission will hurt veterans and servicemembers, along with other students, and taxpayers – and will violate the Department’s statutory obligation to protect taxpayer funds from waste, fraud, and abuse.

Many of the career college programs that have been found to “Fail” the Gainful Employment rule, according to Education Department data, have hurt veterans.²⁶ If they were cut off from Title VI, instead of allowing to continue to prey on veterans and servicemembers, much pain and suffering could be avoided, and taxpayer dollars protected.

<http://www.protectstudentsandtaxpayers.org/wp-content/uploads/2017/02/what-industry-really-thinks-abt-ge.2.21.17.pdf>.

²³ The Institute for College Access & Success, “How Much Did Students Borrow to Attend the Worst-Performing Career Education Programs? The Need for a Strong Gainful Employment Rule,” August 22, 2018, https://ticas.org/sites/default/files/pub_files/ge_total_debt_fact_sheet.pdf.

²⁴ New America, forthcoming.

²⁵ *See* US Education Department Notice of Proposed Rulemaking, available at <https://www.regulations.gov/document?D=ED-2018-OPE-0042-0001>.

²⁶ *Id.*

²⁶ *See* US Education Department, Debt to Earnings Data Spreadsheet, available at <https://studentaid.ed.gov/sa/node/274>.

For example, Brown Mackie's associates degree in medical and clinical assisting is deemed by Education Department to "Fail" the Gainful Employment rule. Here is what some veterans have had to say about Brown Mackie in their complaints filed with the US Department of Veterans Affairs:

"I was told I would be able to get a Medical Assistant job and have not been able to since most places require a Medical Assistant to be certified. This was not disclosed to me when I was pursuing my certificate as an MA. I now have a ton of unpaid student loans and debt incurred from attending Brown Mackie College and no job as a Medical Assistant." - JP, Wisconsin

- *"I graduated from the Associate of Science - Biomedical Technology program at the Brown Mackie College Tucson, AZ campus in November 2015. I'm a medically retired US Army Veteran. I feel I was set up to fail -none of my teachers was even Biomedical Technology qualified -we barely actually had hands on medical machines and didn't learn how to repair medical equipment.... Due to lack of training, I do not qualify for an entry level biomedical equipment technology job and have basically wasted almost \$40,000 of my Post 9/11 GI Bill."* - LM, Arizona

Similarly, Colorado Technical University operates several programs deemed by the Education Department to "Fail" the Gainful Employment metric: Associate in Medical Office Assistant/Specialist, Associate in Legal Assistant/Paralegal, and Associate in Medical Insurance Specialist/Medical Biller.

Here's what some Colorado Technical University veterans said in their complaints filed with the Department of Veterans Affairs:

- *"I enrolled in CTU online and used my GI Bill. I left with thousands of dollars in student loans, quarter hours that did not equal credit hours, and a degree that no one respects. I sure wish I went to a real school for my degree."* - CS, Florida
- *"The education I received was enough to get me an entry level job at McDonald's."* – LB, Colorado
- *"[After] repeated attempts to go through their job placement service, [I] never received a single return e-mail or phone call. With that being said, I never got that guaranteed placement that I was expecting. Now, 5 years after graduating... I have no more knowledge than I already had in my field, and no job with a mountain of new debt. I struggle every day to pay my basic bills with no career as they promised, and now I am supposed to pay student loans for an education I never received."* – MG, Iowa

The New England Institute of Art operates quite a few programs that “Fail” Gainful Employment, according to the Education Department: Bachelor in Commercial and Advertising Art, Associate in Commercial Photography, Bachelor in Commercial Photography, Bachelor in Interior Design, Bachelor in Cinematography and Film/Video Production, and Bachelor in Intermedia/Multimedia.

Here is what one veteran reported to the US Department of Veterans Affairs about the New England Institute of Art:

- *“My education ... failed to teach industry standard practices and workflow. I graduated among the best of the class and received one of the highest awards during my graduation, however when I shopped my portfolio around, there was little interest. It was among the best of the portfolios to have come from the school but it didn't meet industry standards. Students graduating from NEIA are regarded as a joke. They have enough experience with the software to work as cleanup artists, quality assurance testers, etc. They don't have the skill set to compete among mainstream 3D artists.”* – JA, New Hampshire

Ashford operates three programs that are deemed in the “Zone” (warning) by the Education Department: Associate in Business Administration and Management – General, Bachelor in Early Childhood Education and Teaching, and Associate in Early Childhood Education and Teaching.

Here is what two veterans said about Ashford:

- *“While I was signing up I was repeatedly told I would not be able to obtain employment based off my military experience alone...that I needed a degree. The representative stated that I could get my MBA and I would again get assistance in obtaining employment with various technology companies after I graduate. After graduation I was told my degree wasn't suitable... and multiple companies with business positions did not see my MBA as a creditable MBA. I feel that I was personally targeted as a veteran.”* - RD, Texas
- *“When I went into the program at Ashford University I was going for a social science with a concentration in education, which I was lead to believe was a teaching degree and I would be able to become a teacher. The program is no longer available and even on my diploma is only states social science. The degree itself if not enough to help get one a teaching position. Also I had the post 9-11 GI Bill that went straight to the school. Even still they continued to send student loan after student loan. I am not sure what my GI Bill paid for, however I have about 60k in student loans now. With a degree that does not allow me to be a teacher.”* - VC, Louisiana

These are real people's real economic lives at stake. Real veterans who wasted their one shot at the GI Bill, and its ticket to the American Dream, because of a totally subpar program that never

should have been approved for federal student aid and that even the Education Department deemed as “Failing” Gainful Employment metrics.

The Rescission of the Gainful Employment Rule would be Arbitrary and Capricious

Under the Administrative Procedure Act, an agency action may be found unlawful and set aside if it is determined to be “arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.”²⁷ The central question is whether the agency action was the “product of reasoned decision making.”²⁸ Agency actions have been found to be arbitrary and capricious when the agency “entirely failed to consider an important aspect of the problem, offered an explanation for its decision that runs counter to the evidence before [it], or [the explanation] is so implausible that it could not be ascribed to a difference in view or the product of agency expertise.”²⁹ The agency must “examine the relevant data and articulate a satisfactory explanation for its action including a rational connection between the facts found and the choices made.”³⁰

Examining the cumulative benefits to taxpayers and students – especially student veterans and their families – in conjunction with the spurious reasons given for repeal of the rule, the record clearly shows that the Department’s outright repeal of the Gainful Employment Rule is arbitrary and capricious.

The Department’s Rescission Contradicts Current Evidence

The Department’s stated reasoning for abandoning the rule is that it will provide more educational choices for students in the market, and argues that improving the College Scorecard is sufficient to protect students. This contradicts the current evidence, as repealing the current rule and allowing inadequate schools that fail to prepare and train their students for the workforce to continue to receive federal financial aid is antithetical to promoting a thriving higher education system.

Discussing the current success of the Rule, Kevin Carey, for the *New York Times*, wrote in June 2017, “data released in the final days of the previous administration shows that the existing [gainful employment] rules have proved more effective at shutting down bad college programs [than expected].”³¹ Some stark examples of recent school program closures are:

²⁷ 5 U.S.C. § 706(2).

²⁸ *Motor Vehicle Mfrs. Ass’n of U.S., Inc. v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29, 52 (1983).

²⁹ *State Farm*, 463 U.S. at 43.

³⁰ *Id.* (internal quotation marks omitted).

³¹ Kevin Carey, “Devos Is Discarding College Policies that New Evidence Shows Are Effective,” *New York Times* (June 30, 2017), available at <https://www.nytimes.com/2017/06/30/upshot/new-evidence-shows-devos-is-discarding-college-policies-that-are-effective.html>.

- The Art Institute of Pittsburgh associates degree in graphic design cost \$44,804, with only 12% of students finishing on time and graduates typically earn less than \$22,000 but owe more than \$40,000 in student debt.³²
- McCann School of Business Associates degree program in medical assisting results in graduates typically earning less than a high school graduate. There is ample evidence that the Gainful Employment Rule works and repealing it runs contrary to any clear interpretation of the data.³³
- A Master’s degree in acupuncture from the Seattle Institute of Oriental Medicine costs \$76,800, but results in median earnings for graduates of just \$16,256 per year.³⁴
- Fortis College’s Associate’s degree program in criminal justice produced graduates carry debts of almost \$32,000 but earnings of only \$15,400 after graduation.³⁵

In addition to the many recent substandard school programs closing, there are still ongoing federal and state investigations and claims against many substandard schools. In August of this year, American Military University settled a lawsuit with the Massachusetts Attorney General for failure to disclose graduates’ job prospects and using high-pressure enrollment tactics.³⁶ And the California Attorney General documented massive fraud against veterans and servicemembers by Ashford college,³⁷ as did the Colorado Attorney General against CollegeAmerica/Stevens-Henager.⁵⁵ These are just a couple of the most recent examples that are illustrative of the ongoing problem of predatory schools.

Repealing the Gainful Employment Rule, which has proven success in protecting taxpayers and students from the lowest performing college programs, contravenes the Department’s obligation to protect students and taxpayers.

Similarly, the Department has changed its interpretation of key data regarding gainful employment. The Department cites the research of Sandy Baum and Sal Schwartz to assert the current metric used for Gainful Employment is inadequate. In response, Sandy Baum wrote the “Department has misrepresented my research, creating a misleading impression of evidence-based policymaking.”³⁸ She went on to claim the Department cites her work “as evidence that the

³² Pauline Abernathy, “What Does a Failing Program Look Like?” The Institute for College Access & Success (March 7, 2017), available at <https://ticas.org/blog/-/78>.

³³ *Id.*

³⁴ Carey, *supra* note 31.

³⁵ *Id.*

³⁶ Massachusetts Office of Attorney General Maura Healey, “American Military University Pays \$270,000 for Alleged Failure to Disclose Job Prospects, High-Pressure Enrollment Tactics,” August 8, 2018, available at <https://www.mass.gov/news/american-military-university-pays-270000-for-alleged-failure-to-disclose-job-prospects-high>.

³⁷ See State of California v. Ashford University, LLC, available at <https://static1.squarespace.com/static/556718b2e4b02e470eb1b186/t/5a1f24968165f518b0a3b913/1511990461624/CA+AG+ASHFORD+COMPLAINT.11.29.17.pdf>.

⁵⁵ See State of Colorado v. CollegeAmerica, available at <https://www.republicreport.org/wp-content/uploads/2015/02/Complaint-2014-12-01-17-42-24-.pdf>

³⁸ Sandy Baum, “DeVos misrepresents the evidence in seeking gainful employment deregulation,” Urban Wire: Education and Training (August 22, 2018), available at <https://www.urban.org/urban-wire/devos-misrepresents-evidence-seeking-gainful-employment-deregulation>.

GE standard is based on an inappropriate metric, but the paper cited in fact presents evidence that would support making the GE rules stronger.”³⁹ This shows an irrational use of the facts driven by Department’s desire to rescind the rule. Relatedly, Professor Nick Hillman, of the University of Wisconsin-Madison, has objected to his research being manipulated to support the rescission of the rule. His research, discussing education deserts, was cited by the Department, but Professor Hillman asserts that “my research would defend keeping GE rules in tact to protect consumers, especially those living in education deserts where options are most constrained.”⁴⁰

The National Student Legal Defense Network recently filed a Petition for Correction and Disclosure under the Information Quality Act regarding the Notice for Proposed Rulemaking on the Gainful Employment Rule. The Petition alleges the Department failed to back up the statements it has made to justify its proposed repeal of the rule.⁴¹ The Petition cites to factual claims made in the Department’s Proposal without disclosure of underlying methodologies, as well as asserting the proposal violates the “IQA by repeatedly stating conclusions that are not clearly supported by the evidence.”⁴² It also provides a clear table that stretches nine pages long which reviews the Notice for Proposed Rule Making and outlines the deficiencies and omissions in great detail.⁴³

The Department’s Rescission Would Also Eliminate College Disclosure Requirement

The Department’s rescission is also arbitrary and capricious because it is in direct conflict with the Department’s goals of arming students with the information necessary to make an informed college choice – because repeal of the rule also repeals the disclosure requirements. A key method of ensuring that students can make an informed college choice is whether they know the typical graduate’s likely salaries.

The Gainful Employment rule’s disclosure requirements alert potential students to schools that have failed to provide students with the bare minimum of job prospects and viable careers compared to their debt. By removing these requirements, the Department is undermining informed student choice.

³⁹ *Id.*

⁴⁰ Professor Nick Hillman, “Program Integrity – Gainful Employment,” Federal Register Comment on FR Doc # 2018-17351 (Sep. 12 2018), available at <https://www.regulations.gov/document?D=ED-2018-OPE-0042-13086>.

⁴¹ Michael Stratford, “Trump administration kicks off next round of higher ed rulemaking,” *Politico* (Sept. 6, 2018), available at <https://www.politico.com/newsletters/morning-education/2018/09/06/trump-administration-kicks-off-next-round-of-higher-ed-rulemaking-331847>.

⁴² National Student Legal Defense Network, “Petition for Correction and Disclosure”, September 5, 2018, available at https://docs.wixstatic.com/ugd/60a689_11c1eda53be24184aec13d1c4623ebc8.pdf.

⁴³ *Id.*

The Department’s Rescission Reflects Possible Illegal Conflicts of Interest Inside the Department

A further consideration in examining the rationale for the Rule’s repeal is reviewing the myriad ties which senior officials and members of the Education Department have to some of the worst performing college programs:

- Ten Senators have recently sent a letter to Secretary DeVos raising issues about the conflicts of interest and specifically the role of Diana Auer Jones, a former senior vice president at Career Education Corporation who was recently appointed as senior policy adviser to the assistant secretary for postsecondary education.⁴⁴
- Robert Eitel, who was hired by the Trump administration after four years as an executive with Bridgepoint, which operates one of the lowest-quality colleges, under a law enforcement cloud for massive consumer fraud, garnered a newspaper story regarding his lack of impartiality given his current position as a senior advisor to Secretary DeVos,⁴⁵ as well as his direct work on the Borrower Defense rule.⁴⁶ Two congressional members, Senator Elizabeth Warren and Representative Raja Krishnamoorthi, have asked the Inspector General to review the Education’s Department’s ethics program, partially in response to Eitel’s position and work on Borrower Defense, to determine whether the department is “observing both the letter and spirit of the ethics laws and regulations.”⁴⁷
- Julian Schmoke, Jr., a former dean at the for-profit college DeVry, was appointed to lead the Student Aid Enforcement Unit, but succeeded in winding it down, including closing its investigation into DeVry following a US Federal Trade Commission judgment of \$100 million against DeVry for misleading students about their likely job success.⁴⁸

⁴⁴ See Danielle Douglas Gabriel, “Senate Democrats question the role of a former for-profit college lobbyist at the Education Department,” *Washington Post* (April 28, 2018), available at https://www.washingtonpost.com/news/grade-point/wp/2018/04/28/senate-democrats-question-the-role-of-a-former-for-profit-college-lobbyist-at-the-education-department/?utm_term=.1ea5161e8af6.

⁴⁵ See Patricia Cohen, “Betsy DeVos’ Hiring of For-Profit College Official Raises Impartiality Issues,” *New York Times* (March 17, 2017), available at <https://www.nytimes.com/2017/03/17/business/education-for-profit-robert-eitel.html?login=email&auth=login-email>.

⁴⁶ See Erin Dooley, “Exclusive: Former for-profit college executive shaped Education Department policy that could benefit former employers: Documents,” *ABC News* (May 15, 2018), available at <https://abcnews.go.com/US/exclusive-profit-college-executive-shaped-education-department-policy/story?id=55108981>.

⁴⁷ Erin Dooley, “Lawmakers demand review of Education Department ethics program after former for-profit college exec shapes policy: EXCLUSIVE,” *ABC News* (June 14, 2018), available at <https://abcnews.go.com/Politics/exclusive-warren-krishnamoorthi-demand-examination-education-department-ethics/story?id=55879180>.

⁴⁸ *Id.*; see also Danielle Ivory, “Education Department Unwinds Unit Investigating Fraud at For-Profits” *New York Times* (May 13, 2018), available at <https://www.nytimes.com/2018/05/13/business/education-department-for-profit-colleges.html>.

These are just a few of the numerous potential conflicts of interest in the Education Department; these ties to substandard colleges should be weighed when appraising the evidence for and against the Gainful Employment rule.

Conclusion

The Department was already well-aware, and has been amply reminded during this rulemaking, that veterans and servicemembers are especially at risk of being victims of waste, fraud, and abuse by the worst quality colleges, and the Department is well-aware of the potential for bad actors to defraud students and taxpayers.

Repealing the Gainful Education Rule is in direct conflict with the Department's statutory obligation to protect taxpayer Title IV funds from waste, fraud, and abuse.

Repealing the rule is in direct conflict with what is economically beneficial for both the taxpayers at large and individual students alike – as the Congressional Budget Office determined that repeal of this rule will cost taxpayers an additional \$5.3 billion.

Repealing the rule does not allow greater access to high-quality, innovative institutions, but allows the worst quality institutions to continue to bilk students and taxpayers, and is therefore an abdication of the Department's legal obligation to be a good steward of Title IV funds.

Finally, the Department is ignoring the abundance of evidence and testimony supporting the current rule. It is an arbitrary and capricious agency action and we urge you to abandon this ill-conceived proposal and begin implementing the current law immediately.

Sincerely,



Carrie Wofford
President



James Haynes
Law Fellow

Attachments:

- September 20, 2017, letter from 34 leading veterans and military service organizations
- July 12, 2017, letter from 33 leading veterans and military service organizations
- Quotes from veterans and military service organizations at the Education Department's public hearings (July 10 and 12, 2017)
- Quotes from student veterans' complaints

ATTACHMENT 1

Ms. Wendy Macias
U.S. Department of Education
400 Maryland Ave., SW
Room 6C111
Washington, DC 20202.

September 20, 2017

By e-mail: Wendy.Macias@ed.gov

RE: Docket: ED-2017-OS-0074-0001

Dear Ms. Macias:

Please include the following public comment in Docket # ED-2017-OS-0074-0001:

**PUBLIC COMMENT FROM VETERANS SERVICE ORGANIZATIONS &
MILITARY SERVICE ORGANIZATIONS**

As we wrote to you in the attached July 12, 2017, public comment, veterans and military service organizations strongly oppose efforts to roll back student protections at the Education Department.

Instead of undermining the rules that protect students and taxpayers, we urge the Department to strengthen all Department rules and mechanisms that guard against fraud, including borrower defense, gainful employment, program participation agreements, program integrity rules, enforcement of the 90/10 and incentive compensation bans, and cracking down on colleges that manipulate their reporting numbers to evade compliance.

As you know, service members, veterans, and their families and survivors are specifically targeted for fraud and seen “as nothing more than dollar signs in uniform”¹ by unscrupulous colleges. Often, the lowest quality education programs are those that engage in the most consumer fraud of veterans.

The Education Department must do all it can to ensure that American heroes who have served their country are treated with honor and respect when they become college students, and that they can trust the federal government’s stamp of approval that a program is worth their hard-earned GI Bill benefits. The Department should push for higher quality and better gatekeeping.

Sincerely,

¹ Consumer Financial Protection Bureau, (2011). “Seeing servicemembers as ‘dollar signs in uniform’”. <https://www.consumerfinance.gov/about-us/blog/seeing-servicemembers-as-dollar-signs-in-uniform/>.

Denise Hollywood
Executive Vice President
Air Force Association

Keith A. Reed
Headquarters Executive Director
Air Force Sergeants Association

Nichole King-Campbell
Air Force Women Officers Associated

Michael V. Reilly
Executive Director
American Association of Collegiate
Registrars
and Admissions Officers

Joseph Chenelly
Executive Director
AMVETS National Headquarters

Gary E. Hall
National Executive Director
Association of the United States Navy

Kathy Roth-Douquet
CEO
Blue Star Families

Kristina Kaufmann
Executive Director
Code of Support Foundation

Anthony P. Carnevale
Director and Founder
Georgetown University Center on
Education and the Workforce

Lauren Augustine
Director of Government Relations
Got Your 6

Kristofer Goldsmith
President
High Ground Veterans Advocacy

Paul Rieckhoff
Founder & CEO
Iraq & Afghanistan Veterans of America

Peter James Kiernan
President
Ivy League Veterans Council

Paul D. Warner, Ph.D.
National Commander
Jewish War Veterans of the U.S.A.

Mary M. Keller, Ed.D.
President & Chief Executive Officer
Military Child Education Coalition

Lt. Gen. Dana T. Atkins, USAF (Ret.)
President and CEO
Military Officers Association of America

Neil Van Ess
National Commander
Military Order of the Purple Heart

Juliana Mercer
Managing Director
MVPvets

Keith Glindemann
President
National Association of Veterans' Program
Administrators

Joyce Wessel Raezer
Executive Director
National Military Family Association

Jon Ostrowski
Executive Director
Non Commissioned Officers Association

Carl Blake
Associate Executive Director
Paralyzed Veterans of America

Jeffrey E. Phillips
Executive Director
Reserve Officers Association

Jared Lyon
President & CEO
Student Veterans of America

Deirdre Parke Holleman, Esq.
Deirdre Holleman
Washington Executive Director
The Retired Enlisted Association

Bonnie Carroll
President and Founder
Tragedy Assistance Program for Survivors

Ryan Manion
Vice President
Travis Manion Foundation

Randy Reid, USCG (Ret.)
Executive Director
U.S. Coast Guard Chief Petty Officers
Association & Enlisted Association

Carrie Wofford
President
Veterans Education Success

Anthony Hardie
Director
Veterans for Common Sense

Christopher Neiweem
Director
VetsFirst, a program of United Spinal
Association

Ted Daywalt
President
VetJobs

Robert Muth
Managing Attorney
Veterans Legal Clinic, University of San
Diego

Matthew Boulay
Executive Director
Veterans Student Loan Relief Fund

John Rowan
President
Vietnam Veterans of America

René C. Bardorf
Senior Vice President, Government &
Community Relations
Wounded Warrior Project

July 12, 2017

Ms. Wendy Macias
U.S. Department of Education
400 Maryland Ave., SW.
Room 6C111
Washington, DC 20202.

By e-mail: Wendy.Macias@ed.gov

RE: Public Comment: Docket # ED-2017-OPE-0076

Dear Ms. Macias:

Please include the following public comment in Docket # ED-2017-OPE-0076:

**PUBLIC COMMENT FROM VETERANS SERVICE ORGANIZATIONS &
MILITARY SERVICE ORGANIZATIONS**

On June 9, 2017, 31 veterans and military organizations wrote the attached [letter](#) to Congress and Secretary DeVos requesting no delay in implementation of the Borrower Defense rule, which offers student loan forgiveness for students who have been defrauded, protects students from forced arbitration, thereby enabling them to seek relief in the courts if they've been defrauded, and requires financial responsibility triggers and warnings by colleges.

These protections are important to our organizations because service members, veterans, and their families are specifically targeted for fraud by unscrupulous colleges because of the 90/10 loophole in the Higher Education Act, as has been widely documented. The former head of the Office of Servicemember Affairs at the Consumer Financial Protection Bureau (CFPB), Holly Petraeus, explained that the 90/10 loophole incentivizes predatory colleges “to see service members as nothing more than dollar signs in uniform, and to use aggressive marketing to draw them in.”¹

As you know, when predatory college recruiters defraud servicemembers, veterans, and their families, they frequently also load the students up with student loans, sometimes without the students' knowledge. Large numbers of veterans and servicemembers are affected: According to survey data from the Department of Education's (ED) “Beginning Postsecondary Students” survey, about 37% of veterans who began college in 2012 had student loans as of 2014. Similarly, a 2012 survey by the Financial Industry Regulatory Authority reported that 38% of military service members indicated that their households currently had student loans.

¹ Consumer Financial Protection Bureau, (2011). “Seeing servicemembers as ‘dollar signs in uniform’”. <https://www.consumerfinance.gov/about-us/blog/seeing-servicemembers-as-dollar-signs-in-uniform/>.

We were disappointed ED's [announcement](#) on June 14, that it plans to revise the Borrower Defense rule. As you undertake a revision, please ensure that defrauded service members, veterans, and their dependents, families, and survivors receive loan forgiveness, and please ensure that the many pending applications at the Education Department are quickly granted relief under the current regulations. Please also maintain defrauded students' access to the courts and their right to financially sound colleges through the financial responsibility triggers and warnings. To do otherwise would be an affront to those who have served their country.

Often, the lowest quality education programs are those that engage in the most consumer fraud of veterans. We were therefore disappointed by ED's concomitant [announcement](#) that it would revise the Gainful Employment regulation, which enforces the Higher Education Act's requirement that career education programs receiving federal student aid must "prepare students for gainful employment in a recognized occupation." The rule requires career education programs at all types of colleges (public, nonprofit, and proprietary) to disclose basic information about program costs and outcomes and prevents funding for programs that consistently leave students with debts they cannot repay. As you know, several federal courts have already upheld the Gainful Employment metric of debt-to-earnings ratio to excise the worst performing programs. Because the rule eliminates funding for consistently failing programs, the Congressional Budget Office estimates that repealing the rule would increase spending by \$1.3 billion over 10 years.

Veterans express anger when they discover the federal government knew a program produced lousy student outcomes or was under law enforcement action for defrauding students, but allowed them to waste their time and GI Bill benefits enrolled in it. The Departments of Defense and Veterans Affairs rely on leadership by Education Department in determining which education programs are worthy of federal student aid. Therefore, it is critical that the Education Department ensure programs meet the federal statutory requirement of gainful employment in a recognized occupation.

The Education Department must do all it can to ensure that American heroes who have served their country are treated with honor and respect when they become college students, and that they can trust the federal government's stamp of approval that a program is worth their hard-earned GI Bill benefits. The Department must take a firm stand against the predatory targeting of those who have served their country.

Thank you for your time and attention.

Sincerely,

Keith A. Reed
Headquarters Senior Director
Air Force Sergeants Association

Nichole King-Campbell
Air Force Women Officers Associated

Joseph Chenelly
Executive Director
AMVETS National Headquarters

Gary E. Hall
National Executive Director
Association of the United States Navy

Kathy Roth-Douquet
CEO
Blue Star Families

Kristina Kaufmann
Executive Director
Code of Support Foundation

John R. Davis
Director, Legislative Programs
Fleet Reserve Association

Lauren Augustine
Director of Government Relations
Got Your 6

Kristopher Goldsmith
President and Chairman
High Ground Veterans Advocacy

Paul Rieckhoff
Founder & CEO
Iraq & Afghanistan Veterans of America

Peter James Kiernan
President
Ivy League Veterans Council

Carl Singer
National Commander
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Mary M. Keller, Ed.D.
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Lt. Gen. Dana T. Atkins, USAF (Ret.)
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Hershel Gober
National Commander
Military Order of the Purple Heart

Juliana Mercer
Managing Director
MVPVets

Joe Wynn
President
National Association for Black Veterans

Joyce Raezer
Executive Director
National Military Family Association

Jon Ostrowski
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Senior Vice President, Government & Community Relations
Wounded Warrior Project

Christopher Neiweem
Director
VetsFirst, a program of United Spinal
Association

Ted Daywalt
President
VetJobs

Numerous national veteran's organizations testified at the Education Department's public hearings in 2017 about the importance of the Gainful Employment rule:

- **Blue Star Families:** “The families of our All-Volunteer force make unprecedented sacrifices as it is. Military families should not have to experience [being targeted] to fulfill their personal goals and/or to financially contribute to the essential and vital dual-income family lifestyle that they live.... Gainful employment provisions that address this issue on the front-end are 100% necessary. The rules and provisions must be implemented; not today, or tomorrow, but yesterday”⁶⁵
- **Iraq and Afghanistan Veterans of America:** “Of strong concern to IAVA is the delayed implementation of the Gainful Employment Rule. This rule was established to protect students from the predatory practices of inadequate schools that seek to sell them useless education programs and burden them with large student loan debt and little access to the jobs that they wanted. We should fully enforce the Gainful Employment Rule to reduce the odds of situations like [Corinthian and ITT] occurring again. [The] Rule encourage[s] reforms by distinguishing the worst actors in the for-profit sector from those that are delivering quality education programs.”⁶⁶
- **Student Veterans of America:** “This common-sense requirement applies to career education programs at all types of colleges (public, nonprofit, and proprietary) and protects both students and taxpayers from waste, fraud, and abuse. Additional resources ought to be committed to ensure this regulation is fully implemented, to prevent schools with poor outcomes from continuing to deceive student veterans.”⁶⁷
- **Veterans Education Success:** “Since 2012, the FTC, CFPB, Justice and numerous state Attorneys General have concluded 17 settlements with for-profit schools. The basis for these settlements were findings of misleading and deceptive advertising and recruiting, including misrepresenting costs, quality, accreditation and the transferability of credits, job placement rates, and post-graduation salaries. Gainful Employment will help protect veterans by shutting down and requiring warnings for career education programs that leave students with too much debt relative to income. In fact, many such programs have already been eliminated because of the Rule.”⁶⁸
- **Vietnam Veterans of America:** “Too many veterans have been scammed by for-profit institutions of higher learning for which profit is the bottom line and educational opportunities have little importance. VVA has heard countless stories of benefits wasted on bogus degree programs.”⁶⁹

⁶⁵https://static1.squarespace.com/static/556718b2e4b02e470eb1b186/t/5964bc05414fb52a415d2d74/1499773961275/Blue+Star+Families+Testimony_Dept+of+Ed_HJD_07102017.pdf

⁶⁶<https://static1.squarespace.com/static/556718b2e4b02e470eb1b186/t/59d58cdd59cc68289c43bd8d/1507167453948/IAVA+Education+Dept.+Hearing+Remarks-October+4%252C+2017.pdf>

⁶⁷https://static1.squarespace.com/static/556718b2e4b02e470eb1b186/t/59d585dbf7e0abe5b1ab9876/1507165660380/SVA+Public+Comment_ED+EO+13777+Hearing.pdf

⁶⁸https://static1.squarespace.com/static/556718b2e4b02e470eb1b186/t/5964bc05414fb52a415d2d74/1499773961275/Blue+Star+Families+Testimony_Dept+of+Ed_HJD_07102017.pdf

⁶⁹<https://static1.squarespace.com/static/556718b2e4b02e470eb1b186/t/59dd05a48419c2bc5a9f07dd/1507657125089/Bethany+Keirans+Testimony+-+ED+Student+Aid+Protections.pdf>

ATTACHMENT 4

Below are some of the complaints Veterans Education Success has received (and shared with the Department of Veterans Affairs) from student veterans about their struggles finding gainful employment:

Alabama

G.A.

DeVry

- “I felt like all my time at DeVry was a waste because without my degree and transcripts I was unable find a job that was willing to pay me anything more than minimum wage.”
[DeVry withheld his degree because he owed them money]

Arizona

L.M.

Brown Mackie College

- “I graduated from the Associate of Science - Biomedical Technology program at the Brown Mackie College Tucson, AZ campus in November 2015. I'm a medically retired US Army Veteran. I feel I was set up to fail -none of my teachers was even Biomedical Technology qualified -we barely actually had hands on medical machines and didn't learn how to repair medical equipment.... Due to lack of training, I do not qualify for an entry level biomedical equipment technology job and have basically wasted almost \$40,000 of my Post 9/11 GI Bill.”

California

J.B.

Westwood, ITT Tech

- “The dilemma I had was finding a job within the technological industry that wasn't at minimum wage. We paid thousands upon thousands along with learning the industry but employers did not welcome or trust the validity of the schools reputation. Jobs that were offered were temporary and seasonal.”

M.A.

DeVry

- “I am unable to find a job utilizing my degrees from DeVry.”

Colorado

L.B.

Colorado Technical University

- “My biggest complaint is that I thought I would be educated enough to at least get an entry level job in IT. The IT education I received was enough to get me an entry level job at McDonald's.”

N.B.

University of Phoenix

- “I have been told that getting a degree from the University of Phoenix will not help me in the real world due to the fact it is not looked upon as a true school. I have been told that

they help with post job opportunities and I have yet to be contacted about this after several emails saying that someone will get back to me.”

Florida

C.S.

Colorado Technical University

- “I enrolled in CTU online and used my GI Bill. I left with thousands of dollars in student loans, quarter hours that did not equal credit hours, and a degree that no one respects. I sure wish I went to a real school for my degree.”

Georgia

R.D.

ITT Tech

- “For over a year after graduating I tried to find employment in the law enforcement sector, but time after time I was turned down. At first it did not occur to me what was wrong. So I started calling the agencies and departments I had applied to ask their HR representatives for tips on how to better tailor my resume and applications. I was told on numerous occasions that I would need to get more classes that were recognized by their standards. I soon realized that my ITT bachelor's degree might not be up to par. During this time I was diagnosed with PTSD and acute type 2 diabetes. The stress of being unemployed, and not in school, for the first time in my life dredged up things from Iraq I had suppressed. My blood sugar had not responded well to treatment, so between the two, I was forced to go on disability. It was then that I discovered just how much I owed in loans. Like most everyone I've talked, I too simply filled out the computerized applications ITT directed me too and signed the papers they printed out. Never once was I shown an amount, or offered counsel on student loan debt. My credit, already poor from a bad divorce and a bankruptcy, is now even further damaged because I am unable to repay my loans. I simply do not make enough as a disabled veteran to support my family and repay the ridiculous loan balance I accrued at ITT for a worthless piece of paper.”

Iowa

M.G.

Colorado Technical University

- “Their entrance exam (simple essay) appeared way too easy for a 4-year college. But, I trusted in what they said, and applied, tested, and eventually accepted enrollment. Well, 3 years of online schooling, and repeated attempts to go through their job placement service, never received a single return e-mail or phone call. With that being said, I never got that guaranteed placement that I was expecting. Now, 5 years after graduating Summa Cum Laude (If that was even accurately measured, as I was simply an average high school student) with a 4.0 GPA in a seemingly extremely simple curriculum, I have no more knowledge than I already had in my field, and no job with a mountain of new debt. I struggle every day to pay my basic bills with no career as they promised, and now I am supposed to pay student loans for an education I never received.”

Louisiana

B.W.

University of Phoenix

- “I am the wife of a Vietnam veteran. He was in the Navy. I expressed interest in earning a Master's degree in Nursing through an ad on the internet from University of Phoenix Online Program.... I entered the program thinking that, once I graduated, I would have a really good job and it wouldn't put our family in hardship to pay off the loans. Needless to say, the degrees did not help me at all. I have not been able to get a better, higher paying job since I graduated from the program in June of 2009.”

Missouri

W.B.

ITT Tech

- “I didn't know that this school would not be an accredited school and when I wanted to transfer to a local college I found out none of my credits would transfer. Not to mention most employers think ITT is a joke now that there is so much negativity on the internet.”

Montana

M.B.

Colorado Technical University

- “It's very difficult finding a job with homeland security.... They also misled by telling the job opportunities were endless once I got my degree. Yea right.”

New Hampshire

J.A.

New England Institute of Art

- “My education was adequate with regard to teaching the software, but failed to teach industry standard practices and workflow. I graduated among the best of the class and received one of the highest awards during my graduation, however when I shopped my portfolio around, there was little interest. It was among the best of the portfolios to have come from the school but it didn't meet industry standards. Students graduating from NEIA are regarded as a joke. They have enough experience with the software to work as cleanup artists, quality assurance testers, etc. They don't have the skill set to compete among mainstream 3D artists.”

North Carolina

C.D.

Kaplan University

- “I have not been able to get a job with my degree! It felt like as long as I gave them my money I would get the grade. I did have to work for my degree but I feel like Kaplan University is not highly thought of in the workforce but thought of as a degree factory. I had \$32,000 in loans and am unable to find suitable work.”

Ohio

C.M.

Brown Mackie College

- “I was told that the degree I was pursuing was as good as any other university and that I would have no problem continuing my education after I received my Bachelor's Degree

in Business Administration. Since Graduating in January 2016, I have been unable to enroll in higher education and find sufficient employment.”

Texas

J.A.

Everest College/Corinthian

- “I was promised there would be lifetime job placement and refresher training provided. I have tried to contact the school several times over the years and have yet to be offered either of these.... I've had several job interviews that didn't go well after I was asked which trade school I attended.”

U.G.

ITT Tech

- “I was recruited by ITT by them offering or telling me that I would get into a good paying job after my 2yr degree. They informed me that 9 out of 10 students get offered jobs in their line of work before they graduate and that turn out to be a huge lie. In fact 2months before I graduated one of my teachers told me it would be hard to get a good paying job with just a Associate Degree and was edging me on to consider to continue my studies. I wouldn't be able to continue for I had my family to care for (my wife, my 5yr old daughter and newborn daughter as well) so another 2 more years would be hard for me and my family so took my luck with just Associates degree and no luck at all. I've been paying my loans for the longest time and I don't even work in my career field. Now we are a family of 5 and continue to pay these fed loans without showing anything for it. ITT was the biggest mistake I ever did and they suckered me pretty good with the way they spoke about how I would be in a really good paying job and it would benefit my family. Please help”

R.D.

Ashford University

- “While I was signing up in 2008 I was repeatedly told I would not be able to obtain employment based off my military experience alone...that I needed a degree. The representative stated that I could get my MBA in Information Systems and I would again get assistance in obtaining employment with various technology companies after I graduate. After graduation I was told my degree wasn't suitable for any employment within the IT field and multiple companies with business positions did not see my MBA as a creditable MBA. I feel that I was personally targeted as a veteran.”

N.B.

DeVry and ITT Tech

- “Devry and ITT tech both had issues in being able to get me the information about their accreditation and how their degrees would hold up. I was also told that their degree was just as good as a normal university, which it is not.”

Utah

E.A.

Ashford University

- “Someone had come to our base while I was an active duty and dropped by our office. It was are recruiter from Ashford. I was looking to get back into school and get my degree. Since it was an online school, I thought I would try it out. I had a hard time getting a job after graduating even with Ashford telling me they provided job assistance.”

Virginia

J.A.

Ashford University

- “I finished a degree but to be honest, I don't feel like I learned much.... Since I've graduated, I've worked several jobs but having this degree from Ashford has never been seen as an advantage by an employer.”

G.A.

Colorado Technical University

- “After the fact I see all of the information that was not provided when I attended CTU, such as how grants and loans work as well as the true cost of tuition. I received no job assistance nor exit counseling.”

R.A.

Brown Mackie College

- “I graduated 2014 from Brown Mackie College and they have not help me find a job”
[sic]

Washington

B.C.

DeVry

- “I attended DeVry for my undergraduate and Keller Graduate School of Mgmt (DeVry) with a dual masters in Project Management and Business Administration. I served for 11 years disabled Vet and cannot find a job. With a successful military career... command captains career course I can't even get an interview. Now I'm \$148,000 in student loans and have filed bankruptcy in my first year of transition.”

Wisconsin

J.P.

Brown Mackie College

- “I was told I would be able to get a Medical Assistant job and have not been able to since most places require a Medical Assistant to be certified. This was not disclosed to me when I was pursuing my certificate as an MA. I now have a ton of unpaid student loans and debt incurred from attending Brown Mackie College and no job as a Medical Assistant.”

S.F.

DeVry

- “DeVry didn't assist me with job security after graduation.”

W.B.

University of Phoenix

- “In the summer of 2008 I had a situation arise at work. My new boss who replaced the boss who hired me told me I wasn’t qualified to make sound business decisions because I lacked a college education.... Late 2008 I lost my job because of the economy. I stuck with the program and earned my degree. By this time my career path changed. I then took classes for a bachelor's of science in criminal justice administration. I earned that degree. Yet, my employment situation remained unchanged.”

A.F.

University of Phoenix

- “Hard to find a job that takes University of Phoenix degrees seriously.”