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Good morning – My name is Mike Saunders and I am the Legal Advocacy Director of Veterans Education Success. I appreciate the opportunity to share my thoughts and concerns with you regarding the Department's proposed regulatory changes.

Veterans and military service organizations stand united against waste, fraud, and abuse by bad actor colleges. Veterans, servicemembers, their families, and survivors are often targeted by bad actor colleges with deceptive and aggressive recruiting for subpar education. We understand the desire to encourage and improve innovation in higher education but take issue with several of the regulatory rollbacks that we believe will undermine critical protections for students while permitting low-quality education providers to waste, or fail to provide an adequate return on, taxpayer dollars. The Department must stand strong against this poor behavior and not become an abettor to it.

Of the numerous proposed changes, today I want to focus on the following two key issues: the reasonable relationship between programs and entry-level requirements, and outsourcing education.

The requirement that higher education institutions demonstrate a reasonable relationship between the length of a program and the entry-level requirements for the recognized occupation for which the student is studying is a common-sense regulation that was put in place to combat fraud from unscrupulous schools. The current regulation limits the length of a program that a school can offer so that the number of hours provided in the program cannot exceed, by more than 50%, the minimum number of hours required for training in the recognized occupation for which the program prepares the student.

Removing this regulation would allow schools to arbitrarily choose any number of hours they wish, essentially charging a student for excess education that is not required in that field of study. To put this in perspective, even if a program should only be one semester in length as required by the targeted occupation, removal of this regulation would allow a school to require student veterans to use all 36 months of their GI Bill benefits. At many of these low-quality schools, students finish a course of study and are unable to get certified or find employment. In a 2015 published report, Veterans Education Success documented that 20% of 300 GI Bill-approved programs in licensed occupations did not leave the veteran eligible to even sit for the licensing exam.

Equally disturbing, with the rollback of this regulation, the school would have no incentive to ensure their students complete their program of study. This would result in schools putting much effort into recruiting veterans and servicemembers to get them in the door and to the first few days of class, receiving the money from their GI Bill for only a few short days of attendance with no incentive to encourage persistence and completion of a program, and leave the student on the hook for paying back VA for their wasted GI Bill. Unfortunately, this is not a hypothetical

example as this has happened in the past and is why these regulations were put in place.

Additionally, the cap on the ability of Title IV eligible colleges to outsource instruction to private companies and ineligible institutes is of high importance. Currently, schools must be approved by accrediting agencies, authorized by the state, and approved by the Department of Education before they can receive federal aid.

As it stands, ineligible institutions enter into an outsourcing agreement with eligible institutions to provide 25%, but no more than 50%, of the educational program that a student receives. Repeal of this cap would undoubtedly hurt students by undermining the quality of their educations.

Weakening the limitations on schools' ability to outsource educational programming would also undermine the oversight system tasked with ensuring sufficient educational quality and eliminate the deterrence factor currently in place that attempts to prevent these school from deceptive tactics. Unscrupulous schools, who were deemed ineligible to receive federal financial aid by the Department, will partner with approved schools to continue receiving Title IV funding.

The Department's own Inspector General found institutions were inflating the value of college courses, with little or no oversight from accreditors demonstrating that there are bad actors attempting to defraud students and the government. The weakening of these regulations would pave the way for similar bad actors to charge excessive fees for no real education and ultimately hurt those that we represent - service members, veterans, and their families, who use their hard-earned military

education benefits to go to school and are often the targets of predatory schools looking to capitalize on these benefits.

It is reprehensible that those who have been willing to sacrifice all for our country and chose to pursue necessary training that leads to a successful career would find themselves the victims of predatory schools who defraud them of their hard-earned benefits. It is even more upsetting that the Department would chose to turn a blind eye to this behavior and remove common sense protections that were put in place because this behavior did indeed happen.

In conclusion, the Department of Education must be a good steward of taxpayer dollars and keep quality standards that protect both students and taxpayers.