



VETERANS EDUCATION SUCCESS

February 17, 2021

President Joseph R. Biden
The White House
Washington, DC 20500

Dear President Biden:

Thank you for [committing](#) to protect veterans, servicemembers, and military families from predatory colleges that deceive them out of their hard-earned GI Bill and other military education benefits:

“We’ll... crack down on fraud and keep for-profit bad actors from raiding the benefits you’ve earned. I helped lead the effort to shut down a number of predatory institutions during our administration.”

We also were very grateful for the leadership of Beau Biden, who, as Attorney General of Delaware, [led](#) a multi-state action to shut down a predatory college website, *GIBill.com* and transfer the domain to the U.S. Department of Veterans Affairs, and partnered with Vice President Harris (then California Attorney General) to successfully [sue Corinthian](#), a for-profit college chain that deceived tens of thousands of veterans and servicemembers, with salesmen posing as “Pentagon Advisors.”

As you know, predatory colleges (mostly for-profit and formerly for-profit) continue to take a highly [disproportionate](#) share of the GI Bill and military tuition assistance, and are responsible for a [significant portion](#) of America’s student loan default problem, [leaving](#) students jobless or with subpar [earnings](#). They single out veterans and servicemembers for aggressive and deceptive recruiting in order to gain access to the “military gravy train,” as one for-profit college whistleblower [testified](#) before Congress. Whistleblowers report that predatory schools have easy access to the enlisted Armed Forces on bases and even receive permission to recruit during duty hours. Much of this is incentivized by a loophole in the Higher Education Act (the “[90/10 loophole](#)”) that allows for-profit colleges to use GI Bill funds to skirt the cap on federal funds the schools otherwise face, leading some for-profit schools to view veterans as “[nothing more than dollar signs in uniform](#).”

Many of the schools [receiving the most](#) GI Bill funds have been sued by law enforcement for lying to students. Veterans organizations have repeatedly requested a crack-down on these schools, including in highly-publicized letters in [2019](#) and [2016](#), and the U.S. Department of Veterans Affairs’ (VA) Inspector General [warned](#) VA will waste \$2.3 billion over five years in “improper [GI Bill] payments to ineligible colleges,” primarily to colleges that use deceptive marketing.

The Trump Administration decimated much of the prior progress. Last summer, the *GIBill.com* domain went back to private ownership after VA [failed to renew](#) it, and the Trump Administration overruled VA career staff who [tried to follow the law](#) and cut off GI Bill funds to

several deceptive colleges. Meanwhile, Betsy DeVos rolled back Education Department rules governing low-quality colleges and student loan relief. The consequences of these predatory schools' actions and the failure to address them are severe for student veterans:

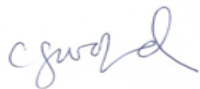
“Within the next few days I will more than likely be evicted. I've had no luck on resources to help me because I'm not technically homeless and as a disabled veteran with bills to include rent, electricity, car and insurance... Not only did ITT mess up my finances and my job opportunities, but I have to prolong making a good life for my family and even longer time to obtain my architect license because now I have to complete a more in-depth curriculum than what I was receiving at ITT and I will be learning more of what I should've learned while I was attending ITT.” -- Student veteran MM

For your consideration, we humbly propose a new Executive Order you could undertake to protect America's military heroes and their hard-earned benefits, and to honor the important work of the late Honorable Attorney General of Delaware. It could include the following elements (details on the attached Addendum):

- Deny GI Bill and military-connected tuition assistance to predatory schools – and ban them from military bases.
- Arm students with the information they need to make an informed college choice.
- Counter the highly aggressive and deceptive advertising and marketing by predatory colleges with consumer protection warnings.
- Stop deceptive websites that target servicemembers, veterans, and their families.
- Encourage and act on student complaints because they serve as an important early warning alert.
- Publicly report the schools getting the most VA and Defense Department (DoD) funds and order the Education Department to crack down on 90/10 noncompliance.
- Require higher ethics by government employees with a clear ban on financial conflicts of interest with for-profit colleges.
- Forgive student loans of defrauded students (many of whom are veterans), restore their GI Bill, and automatically reinstate GI Bill for veterans whose school closed.
- Stop VA's aggressive debt collection, especially for college tuition where the fault was VA administrative error.
- Re-start the interagency task force on predatory colleges.

We recognize you are facing many difficult challenges, especially the COVID crisis and the economy, but protecting the hard-earned education benefits of America's heroes will have a direct impact on our economy and the number of veterans employed in viable careers.

Sincerely,



Carrie Wofford

cc: The Honorable Denis McDonough, Lloyd Austin, Miguel Cardona, and Susan Rice

ADDENDUM

- **Deny GI Bill and military-connected tuition assistance to predatory schools – and ban them from military bases.** Military-connected students are understandably angry when they learn that a school that cheated them is one the government already knew about. Schools under law enforcement action have no place on military bases or receiving the government’s stamp of approval for the GI Bill. This is something the nation’s leading veterans and military service organizations called for in [2019](#) and [2016](#), as [did](#) VA’s Inspector General. DoD and VA should prohibit colleges facing law enforcement action from using the GI Bill and Tuition Assistance and keep them off of military bases. You could order DoD and VA to conduct an immediate review of all schools that have faced law enforcement action within the past four years.

Schools that utilize any form of advertising or recruiting that is misleading or deceptive must immediately be banned from GI Bill and other military-connected tuition assistance. Please order VA to immediately and strongly [enforce 38 USC 3696](#), which requires VA to cut off GI Bill to any school engaged in deceptive or misleading college recruiting, and please order DOD to immediately and strongly enforce its MOU with schools, which bans aggressive and deceptive recruiting. Similarly, please direct VA and DoD to ban all schools that cold call servicemembers, veterans, or military families more than three times (“three strikes and you’re out”) by requiring college chains to produce records from their call centers. VA and DoD should also ban schools whose call center recordings show recruiters are using words like “promise” and “guarantee.”

Schools not yet under law enforcement action but that pose a risk to students and taxpayers should be the subject of serious risk-based reviews, including schools sanctioned by their regulators and accreditors, engaged in [deceiving](#) the IRS, the topic of student complaints, or those that spend less than half of tuition on education. (You could also order IRS to pierce the veil of “covert for-profit” schools.)

The Education Department can also help by restoring rules requiring career education programs to ensure graduates can achieve “gainful employment” in a recognized occupation.

- **Restore** the Department of Defense Voluntary Education program decimated by the Trump Administration and restore the focus to degree-seeking programs. While the SkillBridge program offers a much-needed benefit for transitioning servicemembers, and there is a need to create credible certificate and licensure programs that can pave the way for life-long learning options, service members should not be driven solely to non-degree seeking programs but should have all options made available to them and have access to high-quality education opportunities.
- **Arm students with the information they need to make an informed college choice.** VA’s GI Bill Comparison Tool and DoD’s TA DECIDE must be dramatically improved so that military-connected students have better information to make an informed college choice. These tools should add a [“risk-index,”](#) wider use of [caution flags](#), consumer

protection warnings, and student outcome data from the Education Department’s College Scorecard (which was removed), and should allow side-by-side comparisons of schools and searches based on field of study and geographic location. All student complaints should be reported on the GI Bill Comparison Tool and TA DECIDE, including redacted narrative portions, and VA should not hide older complaints and open complaints, as it chose to do during the Trump Administration. VA also needs to restore historical data about schools that closed, like ITT Tech, on the GI Bill Comparison Tool data dashboard.

Educate military-connected students about the dangers of student loan debt and what a “[Master Promissory Note](#)” is, because too many veterans wind up with student loans they didn’t understand or need, given the generous GI Bill. Please also order the Education Department to rename it “Student Loan Contract” or “Student Loan Agreement” because most Americans have no idea what a “Master Promissory Note” means.

- **Counter the highly aggressive and deceptive advertising and marketing by predatory colleges against veterans, servicemembers, and military families.** Serious attention is needed because predatory college chains are spending millions of dollars every year specifically targeting and cheating veterans. DoD and VA should help veterans recognize and avoid fraud. VA’s “[Know Before You Go](#)” video should be prominently used on DOD and VA websites and in TAP classes. The TAP Accessing Higher Education Curriculum needs improved consumer protection warnings, and servicemembers should be warned from the beginning of their service to avoid “too good to be true” college salesmen, since Congress has received testimony that active duty servicemembers are cold-called by college chain recruiters. Expose college rankings like “Best Colleges for Vets” and predatory lead generators. Help military-connected students recognize and avoid predatory websites by showing this free, public-domain [video](#) created by the USAA Educational Foundation.
- **Stop deceptive websites and trademark key phrases.** Predatory websites fronting for for-profit schools continue to trick veterans and servicemembers. Several agencies can crack down on lead generator websites, including the [U.S. Federal Trade Commission](#) (FTC), the Education Department – through its rule overseeing college subcontractors – and VA and DoD could hold schools accountable for the deceptive practices by lead generator websites they finance and hide behind, as FTC [has ruled](#). Both VA and DoD need to trademark terms that can be abused (e.g., “Army,” “Air Force,” and “Yellow Ribbon”) and VA must immediately repurchase or [reclaim](#) the *GIBill.Com* domain.
- **Encourage student complaints because they are an important early warning alert for government.** DoD, VA, the Education Department, the U.S. Consumer Financial Protection Bureau (CFPB), and the FTC should encourage and make it easier for students to file complaints – and must take those complaints seriously. Closing cases based on the school’s response and deeming complaints “invalid” (including those submitted by pro bono attorneys), as VA does, leaves veterans feeling unsupported. DoD and VA should follow the CFPB’s lead in marking cases as “closed to the student’s satisfaction” or “not,” and upload all complaints to the FTC’s interagency Consumer Sentinel, so law enforcement can gain access.

- **Publicly report the schools getting the most VA and DoD funds**, along with their outcomes and what percent of tuition they spend on instruction, and share student data with other federal agencies, including to enable the Education Department to report for-profit colleges' reliance on federal funds as it did [in 2016](#). A 2016 [MOU](#) between VA and the Education Department regarding veteran student outcomes should be implemented. The Education Department can also stop schools from hiding their 90/10 noncompliance via manipulating OPEID numbers and other tactics. The Education Department also must [redefine](#) IPEDS' "student services" category to exclude pre-enrollment marketing and recruiting costs – to help expose how much predatory colleges are spending on recruiting and how little they are spending on student support.
- **Require higher ethics by government employees**. VA repeatedly has [attempted](#) to allow VA employees to engage in financial conflicts of interest with for-profit colleges. Currently, VA approves waivers that allow such conflicts, such as VA hospital employees who have a financial interest in steering veterans towards for-profit colleges. Similarly, too many military installations allow for-profit college recruiting on base, in violation of the rules against commercial solicitation on military installations. Predatory college chains apparently have regular access to military bases and the enlisted.
- **Forgive student loans of defrauded students – many of whom are veterans**. The Trump Administration was [chastised by federal courts](#) for failing to forgive student loans where the government has evidence of fraud by the schools, under the "Borrower Defense to Repayment" rule at the Education Department. Many defrauded veterans are desperately awaiting action on their applications for loan relief. Also order all loan servicers to stop collecting while borrower defense applications are pending or on appeal.
- **Restore GI Bill for students who allege they were defrauded** – if the government already has evidence of such fraud, and automatically reinstate GI Bill for veterans whose schools close, rather than making them fill out paperwork and jump through hoops, since VA has had [a low uptake](#) of GI Bill restoration for closed schools.
- **Stop VA's aggressive debt collection**. VA's regulations call for, and VA engages in, aggressive debt collection, but this is [not supported by statute, as we testified](#). VA takes veterans' housing and disability when the school wrongly kept GI Bill funds. Please bring VA regulation in line with the statute. VA also should dramatically change its debt collection practices when the cause of the debt is VA's own error in accounting or approval of benefits, including "retroactive adjustments" to GI Bill benefits for students who already finished the classes. The Defense Department can also help by changing its process for reviewing service obligations and its communication with VA for GI Bill transfers to dependents.
- **Re-start the interagency task force on predatory colleges and the Education Department's Enforcement Unit**, both of which the Trump Administration shut down, and create stronger enforcement/oversight teams at VA and DOD.