



VETERANS
EDUCATION SUCCESS

2021 Annual Report

A Voice for Military-Connected Students

A YEAR OF WINS

SECURING BIPARTISAN SUPPORT & LEGAL CRACKDOWNS

Congressional Victory: We closed the 90/10 loophole, finally ending the treatment of veterans as dollar signs in uniform!

Public Praise: We were the only non-governmental entity thanked by the Education Department when it granted borrower defense relief to 18,000 ITT Tech students.

Protecting the “Protect the GI Bill Act”: We surmounted significant implementation hurdles at VA and fought off industry’s attempts to undermine our landmark new law.

Crackdown: We submitted evidence and pressed for government action, resulting in a scam school being cut off by VA, an accreditor’s shortcomings being amplified, and productive current investigations.

New Administration: We proposed executive actions for the White House to protect veterans. We also provided robust input on new rulemaking at the Education Department, advised negotiators, mobilized veterans leaders, and brought 30 student veterans to testify.

Financial Protection: The Consumer Financial Protection Bureau began enforcing the *Military Lending Act* after years of our advocacy for it.

THE 90/10 LOOPHOLE: CLOSED!

We fought for a decade to close the 90/10 loophole to remove for-profit colleges' incentive to deceive veterans. Veterans are no longer "dollar signs in uniform"!

Learn [more](#) about our work on 90/10.

The New York Times

Congress Closes Loophole That Made Veterans a Target of For-Profit Schools

The new economic stimulus package makes a tiny change that military veterans pushed for in hopes of stemming aggressive recruiting tactics.



Veterans Education Success 2021

A DECADE OF EFFORT TO CLOSE THE 90/10 LOOPHOLE

2011

13 veterans organizations send "Bill of Rights" to the White House.

2012

President Obama signs Executive Order 13607. Senate HELP Committee publishes shocking report. Congress passes law requiring greater GI Bill transparency.

2013

A whistleblower we assisted testifies before Senate Defense Appropriations Committee. A dozen veterans organizations join our letter to Ed. Dept. and letter to DoD. We press VA to trademark "GI Bill."

2014

We press VA to launch student complaint portal and college choice tool. We provide information for PBS NewsHour special, "Is the GI Bill Benefitting For-Profit Colleges Instead of Helping Veterans?"

2015

The *New York Times* decries loophole in a damning editorial. We provide information for second PBS NewsHour special, "Are For-Profit Universities Taking Advantage of Veterans?"

2016

We collaborate with Yale Law School on a report on deceptive recruiting of veterans, with a press conf. with Sen. Blumenthal. Our letter, with 23 veterans organizations, demands VA oversight. We bring 4 defrauded veterans for a press conf. with Sen. Carper. We bring forward a high-level ITT Tech whistleblower. Our press release receives broad support.

2017

Our report on 90/10 is praised in a *New York Times* editorial. 29 veterans organizations support legislation and 12 join press conference. We bring veterans to testify at Ed. Dept.

2018

We host a panel of student veterans for Hill staff, and bring student veterans to Hill offices and Ed. Dept. hearings in DC, New Orleans, and WI. We film a PSA video. We host a briefing for veterans organizations on illegal practices of for-profit colleges. We encourage veterans organizations to stop legislation that would have worsened 90/10.

2019

NBC News and HBO's Wyatt Cenac interview our whistleblowers and student veterans. We publish an op-ed in the *New York Times*. Our report on for-profit colleges' spending more on marketing than education garners significant media coverage. We bring a student veteran to testify before Congress, and 30 student veterans join our Hill Day and press conference. We film a PSA of student veterans. 37 veterans organizations join our letter. We hold a press conference with veterans groups and a student veteran panel. We publish an op-ed. Within 24 hours of the GOP Senate Chair's suggesting he won't close the loophole, 34 veterans organizations sign our press statement drawing a line in the sand. One month later, the Chairman agrees to close the loophole, and the first-ever bipartisan bill is introduced.

2020

We increase pressure on Congress from the states, securing Maryland's closure of 90/10. We bring veterans to speak at 2 Capitol Hill press conferences, a Congressional panel, Hill meetings, videos, and interviews with major news outlets. We expose deceptive college websites and get an FTC crackdown. We publish reports on deceptive ads and schools with repeat law enforcement actions. *NYT* publishes editorial demanding Congressional action. We co-author an op-ed with Gen. Wesley Clark.

2021

We urge Congress to close the loophole through COVID relief legislation in a letter from 31 veterans organizations. We compile legal arguments for the Senate Parliamentarian. Finally, the 90/10 loophole is closed.

TESTIFYING

*We delivered 8 oral and 3 **written** testimonies to Congress and federal agencies. We also led 28 **policy letters** from veterans organizations and led key enforcement letters with education allies.*



*Legal Advocate Jennifer Esparza delivered powerful **testimony** to the Education Department about the impact of college fraud on veterans.*



*Federal Policy Manager James Haynes **urged** the Federal Trade Commission to act against deceptive advertising.*



*VP William Hubbard **testified** about the importance to veterans of Education Department rulemaking*



*VP Barmak Nassirian **provided expertise** to the Education Department's accreditor oversight entity.*

Learn [more](#) about our policy advocacy.

Veterans Education Success 2021

ELEVATING STUDENT VETERANS' VOICES

We helped 72 veterans share their stories to influence policy:

30

veterans testified at the Education Department rulemaking.

10

veterans were interviewed for news stories, including [CNBC](#), [NowThis](#), and [NPR](#).

3

veterans spoke on Congressional and NGO panels.

27

veterans visited 38 Congressional offices (including Chair and Ranking of Veterans Affairs) during our [2021 Hill Day](#).

2

veterans submitted statements for the record for a [Congressional hearing](#).

EDUCATION DEPARTMENT RULEMAKING

Our senior team provided intellectual firepower by prepping negotiators, analyzing proposals, and drafting language – with wins on “aggressive recruiting” and ensuring veterans organizations “count” for Public Service Loan Forgiveness.

We also mobilized veteran leaders to speak out and brought forward 30 veterans to [share](#) their stories:



“I never expected going to college would be such a negative force in my life. But so far, I have no college degree, very few transferable college credits, and unrelenting student loan debt.”

- Joshua Queen, Air Force Veteran | Westwood College



“I was so close to finishing. But now, I’ve lost over 20 months of my GI Bill, no degree, and I can’t get a hold of my transcripts.”

- Kolin Wilkins, Army Veteran | Vista College



“University of Phoenix and other schools like them call themselves military friendly but what they mean is military-benefit friendly.”

- Greg Engle, Air Force Veteran | University of Phoenix



“They deliberately misled me, completely pulling the wool over my eyes in order to get me to enroll. Now, I have student loans of more than \$60,000.”

- Josh Blumm, Military Dependent | Walden University



“I wasted my time, my money, and my GI Bill on false promises.”

- Nicole Wilson, Navy Veteran | Brown Mackie College and Bryant & Stratton College



“I know my story isn't unique, which, as a former Marine, infuriates me.”

- Antonio Luna, Marine Corps Veteran | DeVry University

DIRECT SERVICE

OUR LAWYERS GAVE ONE-ON-ONE SUPPORT TO 450+ VETERANS:

- We helped ~ 60 veterans apply for “borrower defense” and “closed school” loan relief.
- Our years of advocacy got 18,000+ ITT Tech students [\\$500M in loan relief](#).
- We fought private lenders, cancelling \$100,000+ of private student loan debt.
- We won full VA-funded tuition for a disabled veteran to attend medical school.
- We won 2 veterans \$20,000 of debt cancellation (caused by VA and school errors).
- We helped dozens of disabled veterans get “total and permanent disability” loan relief.
- We identified – and continue to help solve – GI Bill eligibility problems at Howard University and MIT.

“It was only through your diligence, hard work and support that I was able to eventually receive the educational benefits that will enable me to acquire a career where I can more profoundly serve my country.” -Ian, Air Force Veteran

“I’m so glad I trusted in the guidance and support of Veterans Education Success. As a first generation graduate, this has been a long journey, and I’m so happy this nightmare is finally over and all the hard work finally did pay off.”-Dilia, Marine Corps Veteran

Learn [more](#) about our legal advocacy. | Veterans Education Success 2021



EQUIPPING LAW ENFORCEMENT



We brought forward and supported half a dozen key whistleblowers to law enforcement.



We researched and **exposed** illegal practices by 4 college chains.



We **produced** “trends analyses” of hundreds of veteran complaints about 2 large companies operating 13 school chains.



We **filed** motions to unseal records of Colorado’s successful trial against for-profit college CEHE.

“It’s immensely helpful, the work you’re doing.... In a nutshell, thank you. The evidence you provided was really essential. Your student statements help corroborate the claims and [your whistleblowers] are incredibly helpful.”

–Federal official to Veterans Education Success.

RESEARCH REPORTS

Learn [more](#) about our research and reports.

VETERANS EDUCATION SUCCESS

INSIDE

- Demographics and Benefits Use
- Sector Enrollment
- Persistence, Attainment, and Risk Factors
- Cumulative Student Loan Debt

POSTSECONDARY OUTCOMES FOR UNDERGRADUATE VETERANS OF COLOR

MAY 2021 REPORT

WALTER OCHINKO RESEARCH DIRECTOR
KATHY DAYEA SENIOR RESEARCH FELLOW

Postsecondary Outcomes for Undergraduate Veterans of Color

VETERANS EDUCATION SUCCESS

Our Analysis: Project's Findings on the Effect of Closing the 90/10 Loophole Have Serious Shortcomings

In February 2021, the Veterans Education Project (the Project) released a report on the impact of closing the 90/10 loophole. The report's authors were Jason Delisle, a visiting fellow at the American Enterprise Institute (AEI), and Cody Christensen, an AEI research assistant.

The central thesis of the report was that the 90/10 rule enacted in 1992 is "an antiquated and blunt instrument" that is concerned entirely with revenues, not what students themselves earn from their education, whether they pay their loans, or whether they graduate. The 90/10 rule is clearly out of step with the movement toward more modern accountability policies in higher education that are based on advanced data systems and student outcomes.

We believe that the Project's report mischaracterizes the objective of the 90/10 rule, stating that it measures revenue, not student outcomes. The 90/10 rule was never intended as a measure of student outcomes. An 85 percent cap on revenue at for-profit schools from federal student aid funds (Title IV) was enacted in 1992 to address significant default rates by students attending such institutions.[1] By the early 1990s, student default rates at for-profit schools were 41 percent compared to 22 percent for all schools. In 1998, the cap was raised to 90 percent, resulting in the so-called 90/10 rule.[2]

The idea behind the Title IV revenue cap was a market viability test: that taxpayers should not prop up low-quality schools that could not survive in the open market.[3] In short, the revenue test was viewed as a proxy for value. Institutions offering valuable education at a competitive price should be able to attract at least 10 percent of their revenue from employers, scholarship providers, or students willing to pay the tuition.[4] Currently, a loophole excludes revenue from military-connected students when determining compliance with the rule.

The Project's report also argued that "hundreds" of public sector institutions, which are not subject to the 90 percent limit on revenue from Title IV, "report student outcomes as weak, or weaker, than those of the for-profit colleges falling a 90/10 rule that includes GI Bill and Department of Defense benefits." This blog examines and identifies shortcomings in the methodology and findings of the Project's report by evaluating the outcome metrics used and not used in its analysis. We focus on the 87 schools that the report concludes would fail a revised 90/10 rule if GI Bill and Department of Defense benefits were included in the 90 percent cap on federal revenue, which we believe is the most likely scenario.

HIGHLIGHTS

The report has three broad deficiencies.

Report's methodology has shortcomings. The Project's report (1) overstates the number of for-profit schools that that would be affected by closing the 90/10 loophole; and (2) doesn't address the impact on its findings of a substantial

Our Analysis: Project's Findings on the Effect of Closing the 90/10 Loophole Have Serious Shortcomings

FACTSHEET

Defense Department Tuition Assistance Program: Enrollment and Credentials Earned, by Institutional Sector, for Fiscal Year 2019
(April 2021)

In fiscal year (FY) 2019, almost 250,000 servicemembers participated in the U.S. Department of Defense's (DOD) Tuition Assistance (TA) program. The program allows eligible servicemembers to take postsecondary classes on a part-time basis during off-duty hours at one of 1,808 participating schools.¹ Servicemembers (1) must obtain approval from their military service education counselor before enrolling;² and (2) may take classes online, in a classroom, or through a combination of modalities.³

The TA program provides participants up to \$4,500 each fiscal year for undergraduate, graduate, vocational, licensure, certificate, and language courses.⁴ DOD authorizes the military services to pay schools a maximum fee of \$250 per credit hour, allowing TA participants to earn up to 18 credits per year. The military services that manage the TA program, however, may add and set service-specific criteria to manage TA funds.⁵ Servicemembers may take additional classes during the year by paying the tuition themselves or by applying for federal student aid.

This fact sheet uses FY 2019 DOD data on the TA program to identify (1) revenue and enrollment at for-profit, nonprofit, and public institutions; and (2) the number of TA participants who received either credentials or degrees. We also analyzed the same metrics for the 10 schools receiving the most DOD revenue in each sector. To provide context for our analysis, we compared changes in overall TA enrollment, expenditures, and credentials awarded since FY 2017. The DOD data we analyzed is publicly available on the [TA DECIDE website](#), which is intended to help servicemembers make an informed choice about where to use their DOD educational benefits.

Highlights

- Although fewer servicemembers enrolled in the 105 for-profit schools that participate in TA, that sector received more revenue from TA than the 1,145 public institutions that enrolled 16

¹TA-approved schools must be eligible to participate in federal student aid and the GI Bill. The participation requirements are outlined in a Memorandum of Understanding (MOU) that schools must sign. The MOU incorporates requirements spelled out in Executive Order 13667, Establishing Principles of Excellence for Educational Institutions Serving Service Members, Veterans, Spouses, and Other Family Members (also known as the "Principles of Excellence," which outlines the support and protections that schools must commit to providing to military-connected students).
²Each of the military services is responsible for determining eligibility for TA, which takes into consideration time-in-service, training status, and fitness/conduct standards.
³An unpublished March 2017 letter by the Director of DOD Voluntary Education Programs reported that 85 percent of participants take some online courses.
⁴Books and fees are not covered by TA. Participants must pay back TA funds if they withdraw from classes after the add-drop date or if they fail to complete classes successfully.
⁵For example, the Army limits participants to 16 semester hours, not to exceed \$4,000 annually. The Navy limited servicemembers to \$3,000 in TA funds annually starting in FY 2020, and barred both enlisted personnel and officers from using TA during their first 2 years on active duty. For FY 2021, the Air Force set a \$3,750 per participant cap on TA.

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Factsheet: Defense Department Tuition Assistance Program: Enrollment and Credentials Earned, by Institutional Sector, for Fiscal Year 2019

VETERANS EDUCATION SUCCESS

Policy Makers Need Additional Data to Better Understand Postsecondary Outcomes for Undergraduate Veterans of Color

Race/Ethnicity	Veterans	Nonveterans, 2015-16
White	39%	39%
Of Color	41%	49%
Black	41%	50%
Hispanic	41%	34%
Asian	2%	4%
Other	1%	1%

Source: National Postsecondary Student Aid Survey, 2016.

Blog Post

By: Walter Ochinko

May 2021

Our report, Postsecondary Outcomes for Veterans of Color, compares their outcomes to those of their white veteran counterparts using U.S. Department of Education (ED) survey data. Although the surveys provide valuable insights, additional data are needed to better understand the outcomes of GI Bill beneficiaries.[1] This blog briefly summarizes our report's findings, identifies gaps in the data from the ED surveys we analyzed, and advocates for Congress to require the Department of Veterans Affairs (VA) to collect and report outcome data for GI Bill beneficiaries. In 2008, policy

Policymakers Need Additional Data to Better Understand Postsecondary Outcomes for Undergraduate Veterans of Color

IN THE NEWS

57 news stories quoted us, including:

The New York Times *The Washington Post*



Our **op-ed** outlined an executive order for the incoming Biden team.



9 student advice columns and policy blogs, including:

What Vets and Servicemembers Need to Know About Public Service Loan Forgiveness

What to Do About Your GI Bill or Veterans Education Benefits If Your School Closes

Service Members and Veterans: Beware of Paycheck Advance Apps and Easy 'Credit'

NEW SENIOR TEAM

We brought in three new power-hitters to expand our policy and legal firepower and support the higher ed community.



Will Hubbard, VP for Veterans & Military Policy, drove policy change while at Student Veterans of America and is a Marine Corps Veteran.



Chris Madaio, VP for Legal Affairs, led college cases as Assistant Attorney General in the Maryland Attorney General's Office.



Barmak Nassirian, VP for Higher Education Policy, brings 30 years of expertise from college associations.

Learn [more](#) about who we are.

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