

Contacts:

Will Hubbard
VP for Veterans & Military Policy
Veterans Education Success
will@vetsedsuccess.org
(703) 379-3822

Barmak Nassirian
VP for Higher Education Policy
Veterans Education Success
barmak@vetsedsuccess.org
(202) 262-4684

PRESS RELEASE:**First-Ever Consensus Reached on 90/10 Rule at U.S. Dept. of Education Rulemaking**

Washington, D.C., March 18, 2022 – This afternoon, in a major development in higher education policy, negotiators representing all interests in higher education – including for-profit colleges and veterans organizations – reached consensus in the U.S. Department of Education rulemaking negotiations to implement congressional legislation that requires for-profit colleges to derive at least 10 percent of their revenues from non-federal sources.

This follows more than a decade of a politically-fraught policy debate and disagreement over how to ensure for-profit colleges are not entirely reliant on taxpayer support and that veterans and service members are not targeted by for-profit colleges due to the so-called [90/10 loophole](#). The rulemaking was triggered by Congress' passage of legislation to close that loophole in the COVID relief budget reconciliation package, the [American Rescue Plan Act of 2021](#). During Congressional work on higher education issues in recent years, veterans leaders had [made clear](#) to Congress that closing the loophole was a top priority for veterans.

The consensus reached this afternoon represents the final remaining hurdle in closing this loophole that disproportionately affected the military-connected community. The Department has committed to publishing the carefully negotiated compromise language approved by the Committee as a Notice of Proposed Rulemaking, and is expected to produce the final regulations later this year, which are anticipated to take effect in 2023.

"We are delighted to report that the Committee charged with regulating the legislation to close the 90/10 loophole has succeeded in developing consensus regulations: Veterans organizations and the for-profit sector worked with Department of Education officials to develop regulations that the entire Committee could live with," said **Barmak Nassirian, Vice President for Higher Education Policy at Veterans Education Success, who served as an official negotiator for veterans organizations in the rulemaking sessions.** *"The Department's draft 90/10 regulations follow the pattern of the strong support that the provision enjoyed in Congress: the 90/10 regulations are one of only two topics that reached consensus in the rulemaking."*

"After nearly a decade of advocacy by veterans and military organizations, we are relieved to finally say the 90/10 loophole is closed, and the target has been removed from the backs of veterans, service members, and their families," said **Vice President for Veterans and Military Policy, Will Hubbard.** *"No longer will military-connected students be treated '[as nothing more than dollar signs in uniform](#).'"*

More than 30 individual student veterans [turned out](#) during public testimony sessions at the rulemaking over the past three months to call for a clean and forceful closure of the 90/10 loophole, as did many of the nation's largest veterans organizations.

[Background:](#)

- [Background on the 90/10 Loophole](#)
- Veterans Education Success, Press Release: [90/10 Loophole Closure Is On its Way to the President's Desk!](#) (March 2021)
- Veterans Education Success, Report: [Department of Education Data Shows Increased Targeting of Veterans and Servicemembers, Highlighting Urgency of Closing 90/10 Loophole](#) (November 2017)
- U.S. Education Department: [New Analysis Finds Many For-Profit Colleges Skirt Federal Funding Limits](#) (2016) and related [Data on For-Profit Colleges' Violation of 90/10 Law](#)
- U.S. Education Department data: [133 for-profit colleges receive more than 90% of their revenue from federal taxpayers](#) (2014)
- Congressional Research Service [memo, "Examination of the Current 90/10 Rule and its Legislative and Regulatory History"](#) (2011)

###

About Veterans Education Success

Veterans Education Success is a nonpartisan organization whose mission is to advance higher education success for veterans, service members, and military families, and to protect the integrity and promise of the GI Bill and other federal education programs. The organization offers free help, advice, and college and career counseling to servicemembers, veterans, and their survivors and families using federal education benefits, and helps them participate in their democracy by engaging with policymakers. Veterans Education Success also provides policy expertise to federal and state policymakers, and conducts non-partisan research on issues of concern to student veterans. Additional information is available at www.vetsedsuccess.org.