After Decade-Long Fight, the Department of Education Has Closed The 90/10 Loophole
Major Win for Student Veterans & Their Families

WASHINGTON D.C., October 27, 2022 – Today, the U.S. Department of Education published its final regulations on the 90/10 rule, closing – once and for all – a loophole that had inadvertently incentivized unscrupulous for-profit colleges to target veterans with predatory recruiting.

“After years of harassment by deceptive and aggressive for-profit college recruiters, veterans, service members, and their families will no longer be viewed as nothing more than dollar signs in uniform,” said Veterans Education Success President Carrie Wofford.

Closing the loophole long has been a top priority for Veterans Education Success and veterans organizations nationwide. We led the nationwide effort to mobilize public support for closing the loophole, including rallying the veterans and military community and finally securing bipartisan support in Congress to change the law. We also published numerous policy reports detailing the impact on veterans of being targeted by predatory recruiters, and brought forward hundreds of student veterans to share their stories and their passionate pleas for Congress to act.

The U.S. Department of Education’s announcement today implements and cements that bipartisan Act of Congress, and reflects a consensus that our team helped negotiate and secure among every negotiator during the Department of Education negotiated rulemaking sessions this year.

In addition to protecting veterans, the closure of the 90/10 loophole also will bring needed oversight and accountability to the for-profit college sector because removing the loophole returns the 90/10 Rule in the Higher Education Act to its original purpose – a market viability test: to ensure for-profit colleges are able to secure at least 10% of their revenue from sources other than federal student aid.

Many for-profit colleges have been sued by federal and state law enforcement for illegally deceptive and aggressive recruiting of veterans, servicemembers, their families and survivors, including emotionally charged recruiting tactics, as the U.S. Senate Committee on Health, Education, Labor and Pensions detailed in a groundbreaking report in 2012. Since then, numerous former recruiters and for-profit executives have detailed the emphasis on recruiting servicemembers and veterans, in order to access the “military gravy train.” During COVID, many for-profit colleges increased their social media advertising — some by close to 15,000 percent.

Veterans Education Success applauds the Department of Education for making the closure of this harmful loophole a reality.

“Today’s victory was made possible due to the unceasing efforts of the military and veterans community, and we are so grateful for their collaboration,” said Vice President for Veterans & Military Policy, Will Hubbard. Over the past decade, more than 50 organizations serving the military and veteran community have advocated for this change, including:
More Information

- [Background on the 90/10 Loophole](#)
- [Veterans and Military Organizations’ Letter to the Department of Education on 90/10 Regulations](#)
- [Our Letter to the Education Department on Keeping the 90/10 Loophole Closed](#)
- [Our Testimony on the 90/10 Loophole at the Department of Education Hearings](#)
- [90/10 Loophole Closure Is On its Way to the President’s Desk!](#)
- [Veterans Education Success Hails Closure of 90/10 Loophole](#)
- [Statement on the Senate’s Move to Close the 90/10 Loophole in the Reconciliation Package](#)
- [U.S. Senate Closes 90/10 Loophole in Bipartisan Amendment to COVID Relief Reconciliation Package](#)
- [More than 30 Veterans and Military Organizations Urge Congress to Close the 90/10 Loophole in Reconciliation](#)
- [Veterans Education Success Report: Department of Education Data Shows Increased Targeting of Veterans and Servicemembers, Highlighting Urgency of Closing 90/10 Loophole](#)
- [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](#)

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](http://www.vetsedsuccess.org).

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