

Kentucky lawmakers hear complaints about for-profit colleges  
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State lawmakers expressed concern Monday about the state's oversight of for-profit colleges, and said they want to take a closer look at what mechanisms are in place to ensure students are being protected from some schools' unscrupulous practices.

"I'm appalled. I'm embarrassed, and I hope we can see some changes," said state Rep. Susan Westrom, D-Lexington.

The discussion about for-profit or proprietary schools came during a meeting of the Interim Joint Committee on Education in Frankfort.

State Rep. Fred Nesler, D-Mayfield, asked that the issue be brought before the committee after he received complaints from students who were enrolled in a registered nursing program at Spencerian College in Louisville.

Last spring, the Kentucky Board of Nursing placed the school's registered nursing program on probation, citing failure rates among the program's graduates and other program quality deficiencies. Spencerian officials disputed the board's ruling, and successfully fought to have the action thrown out in court. The college — which is part of the Sullivan University System — was allowed to keep enrolling students in the program.

Nesler said, in general, "consumer protection is a major problem" nationally with proprietary schools, and that he thought the state should examine how it deals with the schools that operate within its borders. Lawmakers stressed at the hearing they were not focusing on any particular school. Committee co-chair and Rep. Carl Rollins, D-Midway, said there are proprietary schools that do "an excellent job," offering innovative and flexible programs to students who are often juggling work and family obligations while trying to earn a degree.

"We want to make sure everybody is not painted with the same brush," Rollins said.

Still, several lawmakers expressed concern about the state's oversight of such schools and programs, especially regarding their academic quality and how they represent their programs to students. Others said they would like to see the schools be required to carry higher bonds to ensure students receive their money back should they close.

They also said they wanted to hear from representatives of the schools, as well as members of the Kentucky State Board of Proprietary Education, which licenses for-profit schools that offer associate degrees or certificates.

Since 1997, the number of licensed independent colleges doing business in Kentucky has grown to 60 from 40, with 23 from out of state, according to officials at the Kentucky Council on Postsecondary Education.

The 60 licensed private colleges offer approximately 1,800 programs, some at multiple sites. Some of those institutions are non-profits like Bellarmine or Spalding universities. Others are considered for-profit, or proprietary, like Spencerian.

The council has licensing authority over all private, for-profit colleges offering a bachelor's degree or above; all private, non-profit colleges; and religious colleges and out-of-state private and public colleges that operate in Kentucky.

In 2009, the council sought to strengthen its oversight of independent colleges that award bachelor degrees by levying licensing fees on them, and also conducting more comprehensive reviews of their programs.

Council officials said the steps were necessary to address the growing number of private institutions offering postsecondary education in Kentucky. They noted that "degree mills, diploma mills and counterfeit operations target states with lax enforcement," and that technology and the internationalization of postsecondary education have increased the risk of fraud.

Dennis Taulbee, the council's general counsel, reiterated those sentiments at a council meeting Friday where some member expressed concern about growing complaints involving for-profit colleges.

"There also is a lot of money involved in this. There are a lot of federal grants and a lot of federal loans," he said.

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