



Docket ID ED-2012-OPE-0008

Testimony at Department of Education – Federal Student Aid Negotiated Rulemaking Committee

Thomas Tarantino

Chief Policy Officer

Iraq and Afghanistan Veterans of America

Iraq and Afghanistan Veterans of America (IAVA) calls on the Department of Education (ED) to create a strong gainful employment rule to prevent the most predatory for-profit schools from taking advantage of veterans, service members and their families.

The stakes of the current rulemaking process are particularly high for veterans. Veterans and service members are often the targets of predatory for-profit schools because of a loophole in the 90-10 rule that rewards schools for recruiting and enrolling veterans. The 90-10 rule requires that no more than 90 percent of a school's funding come from federal sources, such as federal financial aid. Right now, the Departments of Veterans Affairs (VA) and Defense (DoD) education program funds – like the landmark Post-9/11 GI Bill and Tuition Assistance program – are not considered federal funding. This loophole makes enrolling veterans and service members particularly lucrative for for-profit schools – for every veteran they enroll they are able to enroll an additional 9 students on other federal funding.

Over the last two years, many veteran service organizations, including IAVA, have worked hard to arm veterans and service members with the information they need to choose the best program for their educational goals, but we need to weed out the worst actors. We've worked to encourage both the VA and DoD to take action against the worst predatory for-profit schools, but both the VA and the DoD have stated that they will rely on the ED to create standards on school quality. The ED must act strongly to help veterans, service members and their families avoid the most predatory for-profit schools that fail to deliver the education outcomes veterans need.

A strong gainful employment rule will help veterans avoid the worst schools by restricting federal funds to these predatory institutions. It may also encourage further reforms at other for-profit schools. The ED has a unique opportunity now to create a strong rule to help distinguish the worst actors in the for-profit sector from those that are delivering quality education programs. By doing so, the ED can ensure that the Post-9/11 GI Bill can do what it was meant to: help veterans transition from the military to a civilian career and life.

The ED can also help support veterans by creating a rule to restrict funds to programs whose graduates cannot sit for the licensing exams that they have expected to be training for in their educational program. This can have a real impact on veterans transitioning from the military to a civilian career. It has been well-documented that many military skills and training programs do not translate into the civilian licenses and certifications needed for a veteran to continue their military career in the civilian market. As a result, some veterans use their Post-9/11 GI Bill to fulfill education requirements to sit for a civilian license or certification in jobs ranging from medics to electricians. If they enroll in programs that do not make them eligible to take the exam for the certification, the time and benefits of these veterans are simply wasted. The Department of Education can act now to prevent this from happening to other veterans and service members.



IRAQ AND AFGHANISTAN
VETERANS OF AMERICA

IAVA encourages the Department of Education to create a strong gainful employment rule that will help veterans, service members and military families use their education benefits on programs that will forward their career goals rather than on programs that see them, as so eloquently stated by Holly Petraeus, as just “dollar signs in uniform.”