

Higher Ed Watch

A Blog from New America's Higher Education Initiative

Three Steps House Repubs May Take to Shield For-Profit Colleges

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By any measure, last Tuesday was a great day for the for-profit higher education industry.

With the Republicans regaining control of the House of Representatives, some of the sector's biggest champions will now be in powerful positions to protect the industry's interests. [None more so than incoming House Speaker John Boehner \(R-OH\)](#), who as chairman of the House education committee earlier this decade [led an effort to weaken, and even eliminate, key consumer protection provisions](#) in federal law that aim to prevent for-profit schools from taking advantage of financially-needy students.

The turnover in power in the House will make it extremely difficult, if not impossible, for the Obama administration and Senate Democrats to advance legislation designed to rein in the sector. It may also complicate the administration's plans to finalize and enact the [proposed "Gainful Employment" rule](#), which would cut off federal student aid to for-profit college programs whose students take on the most unmanageable levels of debt (in relation to their expected future earnings) and have the poorest records of repayment.

The victory, however, was not complete, as the Senate remains in Democratic hands. As a result, Sen. Tom Harkin, the Iowa Democrat in charge of the Health, Education, Labor and Pensions [HELP] Committee, is expected to continue his panel's [scrutiny of the for-profit higher education sector](#). At the same time, Obama administration officials appear to remain committed to moving forward with the Gainful Employment regulation -- to prevent proprietary schools from leaving students buried in debt and without the training they need to get the types of jobs they were promised.

Still, Rep. John Kline (R-MN), the incoming chairman of the House education panel, will certainly [try his best to throw a wrench](#) in any efforts by the Obama administration and Democratic Senators to crack down on the sector. *At Higher Ed Watch*, we believe that House Republican leaders will consider:

- Doing anything and everything in their power to pressure the Obama administration to abandon its plans to finalize and implement the Gainful Employment rule, or at least to soften it -- from holding hearings "challenging the [Education] Department's authority to issue the rules," as [The Chronicle of Higher Education has reported](#), to potentially refusing to work with the administration on reauthorizing the Elementary and Secondary Education Act, which is a key priority of the president's. They will also undoubtedly offer legislation to block the rule from being enforced. But with the balance of power in Washington still favoring the Democrats, there's little chance that such a measure would ever make it out of Congress.
- Attempting to withhold funding that the administration is seeking to ramp up the Education Department's oversight of for-profit colleges. In a [letter to the leaders of the Senate HELP Committee this summer](#), Education Secretary Arne Duncan wrote that the administration had requested "additional resources" in the President's fiscal year 2011 budget request "to increase the capacity for and effectiveness of Departmental oversight," with the goal of having the Federal Student Aid office "conduct 50 percent more program reviews of postsecondary institutions each year." Republican lawmakers could hamper these efforts by simply insisting that Congress keep the current [Continuing Resolution](#) -- which is financing all programs and agencies subject to annual appropriations at fiscal year 2010 levels -- in place for the entire year.
- Seeking to roll back some of the [regulations that the Education Department finalized](#) late last month that are set to go into effect in July. If House Republicans go down this path, they will most likely focus on rules that have drawn opposition from traditional and for-profit colleges alike. Among the regulations they would probably target is one that establishes a

standard definition of what constitutes a “credit hour” for colleges to use when awarding federal student aid. The Department proposed this rule primarily to crack down on proprietary schools that have been inflating the course credits they provide to students in order to maximize the amount of revenue they can obtain from the federal financial aid programs. Lobbyists for non-profit colleges, however, have objected that this rule would invite “inappropriate federal intrusion into areas of academic decision-making.” While the Department tried to address their concerns in its final regulations, college lobbyists remain dissatisfied and might look to House Republicans to try to overturn the rule -- just as they did back in 1995 when they appealed to the new House Speaker Newt Gingrich to repeal Clinton administration regulations establishing controversial State Postsecondary Review Entities that Congress had created in 1992 with the primary purpose of increasing oversight over trade schools.

Still, even for-profit college lobbyists acknowledge, that the House Republicans’ willingness and enthusiasm to go to bat for the industry may be tempered by any new revelations of wrong-doing that emerge in the coming months. The Government Accountability Office’s recent undercover investigation -- which found (and secretly recorded) “fraudulent, deceptive, or otherwise questionable marketing practices” at every single one of the 15 for-profit schools it visited -- has clearly put Republican lawmakers on guard.

“I get told every time I’m around Boehner or Kline or whoever that ‘we’re going to make certain all sectors get a fair treatment if we’re back in control, but we will not give you cover if you’re doing the wrong thing,’” Bruce Leftwich, a top lobbyist with the group formerly known as the Career College Association, said during a post-election wrap-up the organization held last week with its members. “Let’s not take comfort because of the switch.”

In our opinion, that makes it all the more crucial for Senator Harkin to continue the important work he has been doing unearthing the truth about how some of the country’s largest for-profit higher education companies really operate.

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 **forprofited** 10 hours ago

Cue music - Rimsky-Korsakov - Flight of the Bumblebee

The for-profit colleges are racing to destroy evidence, attempting change outcomes and improve persistence by the only means possible: dumbing down already sub par curriculum grades based on fully online group study with the hope that 1 of 5 students will provide something they can deem as passing.

They will continue the attempt at creating positive PR just as BP did during the oil spill.

Like Reply



HeXt 12 hours ago

We can only hope the republicans look in the best interest of the TAXPAYERS and not the corporations.

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