

Carper, Durbin, Blumenthal Announce Legislation to Close 90/10 Loophole

As country recognizes 71st anniversary of the original G.I. Bill, Senators announce legislation to close a dangerous loophole that compromises education opportunities for America's service members and veterans

WASHINGTON – This past week Senator Tom Carper (D-Del.) was joined by Senators Dick Durbin (D-Ill.), and Richard Blumenthal (D-Conn.) announced the introduction of legislation that would close a loophole in the law that allows for-profit schools to receive 100 percent of their funding from the federal government. The 90-10 rule is an important safeguard that is intended to protect taxpayers by ensuring that for-profit schools obtain at least 10 percent of their revenues from sources other than taxpayers. However, current law leaves open a loophole that allows for-profit institutions to count military and veteran educational assistance, including the generous Post-9/11 G.I. Bill, as non-federal revenues. Some bad actors in the for-profit industry are exploiting this “90-10 loophole” by aggressively recruiting veterans and G.I Bill tuition dollars, rather than obtaining 10 percent of their revenue from non-federal sources.

Far too often, bad actors in the for-profit education industry employ predatory recruitment practices to aggressively enroll active-duty service members and veterans in programs that oftentimes cost much more than public colleges or universities. Corinthian Colleges – a for-profit college chain that received nearly \$200 million in Post-9/11 G.I. dollars – recently had to close or sell 107 campuses to due financial woes. The military and veteran students who attended these schools were left to wonder if they had wasted their hard-earned benefits. Senators Carper, Durbin and Blumenthal have been joined by more than 20 of their colleagues to introduce legislation to help fix this problem.

I believe all of us support this measure so please contact your local Congressman & Senator to support this proposal. *Semper Fidelis*