

The Honorable Lamar Alexander
Chairman
United States Senate
428 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Patty Murray
Ranking Member
United States Senate
428 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Robert “Bobby” Scott
Chairman
U.S. House of Representatives
2176 Rayburn House Office Building
Washington, DC 20515

The Honorable Virginia Foxx
Ranking Member
U.S. House of Representatives
2176 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Alexander, Chairman Scott, Ranking Member Murray, and Ranking Member Foxx,

The Veterans Education Project (VEP) represents the interests and concerns of over one million members of the Army and Air National Guard, their family members, National Guard retirees, and survivors. We thank you for your continuous service to Student Veterans, and the great work you have done to protect our nation’s war heroes.

We are greatly concerned about potential changes underway as Congress moves to reauthorize the Higher Education Act (HEA). Over this past month, VEP has met with numerous members of the Health, Education, Labor and Pensions Committee (HELP) and the Education and Labor Committee to provide our perspective on much-needed accountability for all Student Veterans pursuing postsecondary education. While these meetings have been fruitful, collaborative and underscored many essential areas of bipartisan agreement to improve institutional accountability, we are troubled by the level of attention one proposal has garnered: redefining the 90/10 rule.

Such a change would redefine the very nature of Veterans benefits by considering them equivalent to federal subsidies alongside Title IV loans and grants. Doing so would be an insult to Veterans everywhere who earned their benefits with their *actual* “skin in the game.” On principle, we cannot support and will actively fight legislation that affirms the notion that Veterans benefits are subsidies from the federal government. They are earned through sacrifice, and should not be used as a political bargaining chip. We respectfully encourage you and other members of your Committees to reconsider changes to the 90/10 rule and to focus on more promising avenues of accountability that apply to all sectors of higher education, and adequately protect all students.

We were pleased to hear from many offices that they are supportive of proposals to hold all institutions more accountable for poor outcomes. This includes institutional “risk-sharing” as an enhanced accountability metric, which would apply agnostically across all of higher education. The 90/10 rule applies to only one sector of higher education and is highly contested to be a viable method of accountability or to measure academic quality. The abundant research on the current 90/10 rule finds it to be counterproductive to the expansion of accessibility of education,¹ is not indicative of academic quality but rather the socioeconomic background of an institution’s students, is counterproductive to

¹ <https://www.edvisors.com/media/files/student-aid-policy/20130819-90-10-rule.pdf>

fighting the rising cost of education in America, has led to predatory private loan products,² and does little to incentivize the change in our higher education landscape we desperately need: a comprehensive restructuring of institutions to ensure student persistence and graduation. Institutional risk-sharing, on the other hand, has the potential to do just that.

Instead of focusing efforts for accountability on one particular sector, we hope a HEA reauthorization will bring meaningful accountability in the form of risk-sharing to the entirety of America's higher education landscape. We believe within the basic framework of loan repayment rates and "skin in the game" on the part of institutions, there is the ability to create nuanced "peer groups" that will alleviate the concerns we've heard from some offices regarding incentivizing increased selectivity. By establishing guidelines for "peer groups," institutions of similar selectivity, size, mission, state funding or endowments, percentage of Pell-eligible students and degree type will compete with one another, and be incentivized to provide real value-added to their students, while working to ensure student persistence and graduation. Any attempt to discriminate against at-risk students, or to limit accessibility by increasing selectivity, will effectively raise the stakes for institutions as they are moved into a higher-tiered peer group with more stringent benchmarks for institutional outcomes. Further, there is enough data to show that, while selectivity and student demographics have some affect on institutional outcomes, graduation is the most important factor for student postsecondary success.

Risk-sharing incentivizes each institution to adopt best practices for student success without having to compromise their institutional mission or limit accessibility. It is not easily "gamed" like cohort default rates, and its intent is not to close down institutions, but to incentivize a renaissance of American higher education that puts students first. Because of these important considerations, we believe institutional risk-sharing is the right step forward to significantly improve accountability for American higher education, has current bipartisan support, and would be better suited for Student Veterans than changing a highly partisan, highly contested, and arguably ineffective metric like the 90/10 rule.

The Veterans Education Project thanks you for your time, consideration, and unceasing effort to safeguard Student Veterans during this reauthorization of the Higher Education Act. We are committed to working "by, with and through," setting aside our personal politics in order to put Student Veterans first. We hope that meaningful dialogue will continue to develop in good faith, and we look forward to assisting your offices in any way we can to bring about this much-needed reauthorization of the Higher Education Act.

Sincerely,



Daniel Elkins
19th SFG
Army National Guard
Executive Director
Veterans Education Project

² <https://www.consumerfinance.gov/about-us/newsroom/cfpb-sues-for-profit-corinthian-colleges-for-predatory-lending-scheme/>