

*Assemblywoman Laurie Davies**73rd District***Background**

That for-profit education businesses aggressively recruit veterans, including even injured veterans at military hospitals, has been so thoroughly and repeatedly documented it cannot be disputed.¹ As *The Los Angeles Times*, reported in “**For-profit colleges are using the GI Bill to make money off veterans**”

To keep the GI Bill money flowing, the industry aggressively targeted veterans, and often hired them to help recruit their brethren returning home from the battlefields ... U.S. Army veteran Don're Walker took one of those recruiting jobs at an ITT campus in Orange County in 2012. He quit less than a year later. His department faced intense pressure to enroll GI Bill beneficiaries, Walker said. Once he understood the school's high tuition costs — and students' low probability of transferring credits to traditional colleges — he regularly advised veterans against attending. "It was basically 'Get people in any way possible,'" he said. "They were exploiting my brothers."

Problem Being Addressed

California Education Code section 67101 imposes mandatory duties upon California State Approving Agency for Veterans Education (CSAAVE) regarding approval of Title 38 programs.² However, while CSAAVE began to issue regulations that would have transparently and accountably established “reasonable criteria” for approval as permitted by state law,

it has so far not finalized such “criteria.” California’s veterans and the public that honors their service should, at the barest minimum, assure through legislation that CSAAVE has before it the most basic information needed to weigh whether or not an education business should be entrusted with a veteran’s future and hard-won, one-time benefits.

AB 1731***Basic Information Assured To Evaluate Programs for One-time GI Title 38 Benefits*****Summary**

AB 1731 simply ensures that CSAAVE for every application will have before it the most basic information minimally needed to exercise its discretion; information such as: (i) its rate of loan defaults; (ii) its accreditation status; (iii) its financial wherewithal; (iv) whether it has been sued for fraud or deceit in the five years before the application; (v) whether (for licensing or certificate oriented programs) it has required approvals, whether students are eligible to sit for licensing or certificate exams, and exam passage rates; and (vi) employment prospect analyses.

Staff Contact

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¹ Here is just some of the documentation:

<https://www.bloomberg.com/news/articles/2009-12-30/for-profit-colleges-target-the-military>
<https://www.bloomberg.com/news/articles/2009-12-30/for-profit-colleges-target-the-military>
<https://www.businessinsider.com/for-profit-colleges-target-military-veterans-2017-12>
https://www.huffingtonpost.com/alexandra-rice/why-for-profit-colleges-a_b_5420822.htm
<https://www.pbs.org/newshour/education/why-these-veterans-regret-their-for-profit-college-degrees-and-debt>
https://www.washingtonpost.com/education/2019/02/20/veterans-groups-ask-va-secretary-keep-gi-benefits-out-hands-predatory-colleges/?utm_term=.b42c886827a9
<https://digitalcommons.law.byu.edu/cgi/viewcontent.cgi?article=1550&context=jpl>
<https://rebootcamp.militarytimes.com/news/education/2019/02/19/vet-groups-are-blasting-trumps-education-secretary-heres-why/>
<https://www.nytimes.com/2019/02/18/opinion/betsy-devos-student-veterans.html>

<https://www.nytimes.com/2017/11/24/opinion/exploiting-veterans-profit.html>

<https://www.npr.org/sections/ed/2016/01/29/464579497/veterans-to-higher-ed-big-room-for-improvement>

<https://protectborrowers.org/the-predatory-underworld-of-companies-that-target-veterans-for-a-buck/>

<https://rebootcamp.militarytimes.com/news/education/2019/01/25/millions-of-gi-bill-dollars-are-going-to-questionable-schools-and-it-could-soon-be-billions-va-watchdog/>
<https://www.republicreport.org/2018/scam-websites-tried-to-trick-military-recruits-into-entering-for-profit-colleges/>

² Ed, Code section 67101: “[CSAAVE] shall approve qualifying institutions desiring to enroll veterans or persons eligible for Title 38 awards in accordance with federal law, this chapter, and other reasonable criteria established by [CSAAVE].”