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### **CHILDREN'S ADVOCACY INSTITUTE URGES STRONG REGULATIONS FROM U.S. DEPARTMENT OF EDUCATION TO PROTECT FOSTER YOUTH FROM PREDATORY USE OF CHAFEE/ETV BENEFITS**

WASHINGTON D.C.—October 26, 2021—The University of San Diego School of Law Children's Advocacy Institute (CAI) is testifying live today on the 90/10 loophole closure during a public hearing of the Department of Education, to ensure strong rules are put forth which will advance improved educational experiences and employment outcomes for current and former foster youth.

The John H. Chafee Foster Care Program for Successful Transition to Adulthood (Chafee) provides grants to states to offer flexible services to youth ages 14 to 23 who are or were in foster care designed to support high school completion, college access, career exploration, employment access, and skills development. The Education and Training Voucher (ETV) component of the Chafee program allows current and former foster youth attending a qualified institution of higher education to receive up to \$5,000 annually for up to five years until they reach age 26 to support postsecondary participation.

Until passage of a legislative fix in the American Rescue Plan Act this year, however, the availability of those funds made foster youth the unwitting target of some unscrupulous private for-profit colleges. Pursuant to what is called the 90/10 rule, for-profit colleges must obtain 10% of their tuition from private, non-federal sources to ensure market viability. But an unintended loophole excluded certain categories of federal aid from this formula—including money from the GI bill and Chafee/ETV program—making these dollars especially valuable for these colleges, and subjecting veterans and foster youth to aggressive and dishonest recruitment practices and dismal educational outcomes. Following years of advocacy, Congress and the Biden Administration successfully corrected this legislative loophole so that now include ALL sources of federal aid dollars are counted, and for-profit colleges are held accountable for the taxpayer dollars that fuel their enterprises.

Today, the U.S. Department of Education is holding public hearings to consider stakeholder input as it develops regulations to implement the now comprehensive 90/10 rule, which is set to take effect in 2023. CAI's National Policy Director, Amy Harfeld, will be testifying live to

highlight the unique impact of this rule change on current and former foster youth, and to urge strong regulations from DOE with no room for industry exceptions or carve-outs.

“When young people age out of foster care without permanent family connections, they need extra layers of support, not targeted predation. Yet transition age foster youth have for years been aggressively targeted by unscrupulous private for-profit colleges that, due to the previous 90/10 loophole, often wiped-out their limited federal benefits, left them with poor educational outcomes and insurmountable debt,” stated Harfeld, “Now that the loophole has been closed, we look forward to working with the Department of Education to ensure its regulations are strong and uncompromising, and providing clear protections for this vulnerable population of students.”

CAI Executive Director Prof. Bob Fellmeth, Price Chair of Public Interest Law at the University of San Diego School of Law, said, “Harnessing the potential of young people aging out of care by providing high quality educational support is not only a moral imperative, it just makes sense. Dollars meant to advance opportunity for these young people—who don’t have family or other supports to turn to—have been exploited for too long by those wishing to turn a quick profit, at students’ expense.”

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The Children's Advocacy Institute (CAI), founded at the nonprofit University of San Diego School of Law in 1989, is one of the nation's premiere academic, research, and advocacy organizations working to improve the lives of children and youth, with special emphasis on improving the child protection and foster care systems and enhancing resources that are available to youth aging out of foster care. More information is available at [www.caichildlaw.org](http://www.caichildlaw.org)