

Durbin echoes Department of Education Inspector General's alarm on for-profit colleges

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WASHINGTON – U.S. Senate Democratic Whip Dick Durbin (D-IL) today highlighted the U.S. Department of Education's Office of Inspector General (OIG) semi-annual report to Congress where retiring Inspector General (IG) Kathleen Tighe raised the alarm on for-profit colleges. In the report, IG Tighe noted, "We disagreed with the Department's proposed elimination of the gainful employment regulations without an adequate replacement to ensure accountability. My predecessors and I have testified before Congress on issues involving proprietary schools over the years, and the sector continues to be a high-risk area for the Department. OIG resources devoted to postsecondary school investigations continue to be disproportionately devoted to fraud and abuse in the proprietary sector. The sector also represents a disproportionate share of student loan defaults. In addition, findings of misrepresentation of job placement rates and guaranteed employment by Corinthian Colleges and other schools provide a clear demonstration of the need for particular accountability." The full report can be found here.

"Today's report by retiring Inspector General Kathleen Tighe warns us that for-profit colleges represent a disproportionate risk to students and taxpayers in higher education," said Durbin. "Unfortunately, this important independent analysis will be ignored by Secretary DeVos and the former for-profit college executives she's installed in high-level positions over at the Department. Students and taxpayers will suffer this surrender to greed by Secretary DeVos."

The for-profit college industry enrolls just nine percent of all post-secondary students, but accounts for 33 percent of all federal student loan defaults. In the last five years, nearly every major for-profit college has been investigated or sued by one or more state attorney general and federal agency for unfair, deceptive, and abusive practices.