

**c-man**

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**From:** c-man <c-man@best-service.com>  
**Sent:** Tuesday, February 17, 2015 5:31 PM  
**To:** 'Patty.Kim@mail.house.gov'  
**Subject:** FW: Sign the petition: No sweetheart deals for exploitative for-profit colleges  
**Importance:** High

You should be aware of this problem that I was requestijng you help with instead od turning your back on it and me!

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**From:** Murshed Zaheed, CREDO Action [mailto:act@credoaction.com]  
**Sent:** Tuesday, February 17, 2015 6:39 AM  
**To:** Charles Gundlach  
**Subject:** Sign the petition: No sweetheart deals for exploitative for-profit colleges



## Tell Congress: No sweetheart deals for exploitative for-profit colleges

*Petition to Congress:*

**"Support tough rules to rein in for-profit colleges and oppose any attempts to roll back or defund existing regulations on these companies, which make billions exploiting students while providing a sub-par education."**

Add your name:

Dear Charles,

The worst culprits in the student debt crisis are poised to get a major handout from the new Republican Congress.

**Students at for-profit colleges often do little better in the job market than those with no education, while racking up massive debt from high tuition prices and misleading loans.** In fact, one for-profit college just settled a lawsuit with the Consumer Financial Protection Bureau after being accused of deliberately inflating tuition beyond what federal student loans can cover, then pushing their own predatory private loans on students to cover the rest.<sup>1</sup>

After taking control of the Senate, Republicans are now poised to defund and dismantle the few rules we have to

address the problem, and further efforts to rein in this damaging industry. **We need to show every member of Congress that making it easier to exploit students is a bad idea – and bad politics.**

**[Tell Congress: No sweetheart deals for exploitative for-profit colleges. Click here to sign the petition.](#)**

**Just days after Republicans took control of both houses of Congress in November, banks advised investors to start buying stock in for-profit college corporations,** because Republicans would roll back or block Democratic attempts to put a check on these companies.<sup>2</sup>

Good news for for-profit colleges is bad news for students. And the price for this shoddy degree is steep: tuition at for-profit schools can be four times that of community colleges. Graduates leave for-profit colleges with \$13,000 more in debt, on average, than students graduating from non-profit schools. Most students don't graduate at all, but are still stuck with the tab for student loans.<sup>3</sup>

The companies that operate for-profit colleges are immensely profitable, spending their billions in profits on marketing, massive pay-outs to executives, and generous returns for investors. To top it all off, more than 90% of for-profit college revenues come from federal student loan programs.<sup>4</sup>

Despite this, Republicans are considering defunding enforcement of the Obama administration's "gainful employment" rules, which deny federal funding to schools that don't actually help their students find jobs. Second and more importantly, the Higher Education Act is due to be renewed this year. Democrats have been pushing for that bill to include stricter oversight and to lower the amount of allowable revenue from federal loans from 90% to 85%.<sup>5</sup>

The Republican chairmen of the House and Senate committees on education are diehard allies of the lending industry and have already announced their intention to roll-back regulations, with Senator Lamar Alexander promising "a complete rewrite" of the Higher Education Act.<sup>6</sup> **We are going to need to ramp up the pressure now to save students from even more exploitation.**

**[Tell Congress: No sweetheart deals for exploitative for-profit colleges. Click here to sign the petition.](#)**

While Republicans are the worst offenders, the flush for-profit college industry has won friends on both sides of the aisle. These companies claim they provide a valuable and flexible educational experience to low-incomes students or students who work full-time or have children. Much like the payday lending industry, they highlight their "creative solutions" for those in need, while trapping people in a cycle of debt. The core tension between profiting and teaching has even led some to call for banning for-profit educational institutions altogether.

**The truth is that for-profit colleges are taking tax dollars meant to help students, providing near-worthless degrees, trapping students in debt through often devious means, and making big bucks – and Republicans want to help them do it.**

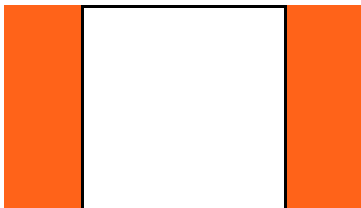
**Tell Congress: No sweetheart deals for exploitative for-profit colleges. Click the link below to sign the petition.**

**[http://act.credoaction.com/sign/no\\_college\\_bailouts?t=6&akid=13105.1874598.9kLPTp](http://act.credoaction.com/sign/no_college_bailouts?t=6&akid=13105.1874598.9kLPTp)**


Thanks for sticking up for students.

Murshed Zaheed, Deputy Political Director  
[CREDO Action from Working Assets](#)

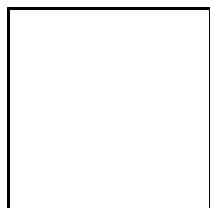
Add your name:



1. Alan Pyke, "[\\$480 Million In For-Profit College Debts Are Actually Worth Less Than \\$8 Million](#)" ThinkProgress, February 4, 2015
  2. Alan Pyke, "[Banks Urge Investors To Buy For-Profit College Stocks Now That The GOP Is Taking Back Congress](#)" ThinkProgress, November 6, 2014.
  3. Ibid.
  4. Ibid.
  5. Molly Hensley-Clancy, "[Republicans' Election Victory Is Good News For For-Profit Colleges](#)" Buzzfeed, November 5, 2014
  6. Michael Stratford, "[What a GOP-Led Congress Means for Higher Ed](#)" Inside Higher Ed, November 5, 2014
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