



VETERANS EDUCATION SUCCESS

Good afternoon Senator Sanborn, Representative Tepler, and members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services. My name is Ramond Curtis, and I am the State Policy Manager for Veterans Education Success, a nonprofit veterans service organization that advocates for public policy to ensure veterans' success using the GI Bill.

Despite the generous benefits of the Post-9/11 GI Bill, military veterans attending college are taking out substantial student loans, raising concerns among veterans' organizations that they are unnecessarily diving into debt. For most veterans, the GI Bill covers four academic years of tuition at public colleges and universities and has programs to cover the vast majority of expenses at many private institutions. Veterans also receive a monthly living to help cover expenses while they attend school. However, data compiled for The Times by the Department of Education show that in 2012, 26% of undergraduates receiving veterans' education benefits also took out federal or private education loans. The average loan was \$7,400 — slightly more than for students who had never served in the military.

Beneficiaries at for-profit schools — which take a disproportionate share of GI Bill funding and have been under fire for their high costs and low job-placement rates — are more likely than those at other institutions to take out loans, the data show. For-profit colleges receive the largest share of military educational benefit programs: 37 percent of post-9/11 GI bill benefits and 50 percent of Department of Defense Tuition Assistance benefits flowed to for-profit colleges in the most recent period.

Veterans Education Success has received more than 4,000 complaints from veterans who were deceived or defrauded by a for-profit college. Some for-profit colleges even sign students up for high-interest private loans without disclosing the true terms of loans, and in some cases without the student's knowledge.

While these enforcement actions are necessary to root out bad practices, the greater hope is that Maine can prevent predatory practices and bad outcomes by implementing strong policies that hold student loan servicing companies accountable. This will ensure that student loan servicing companies won't use misleading and manipulative practices that severely impact the rapidly growing problem of student loan debt in ME, and will force them to clean up their act and improve the quality of service they provide to Maine bowers.