

United States Senate

WASHINGTON, DC 20510-0803

December 20, 2018

The Honorable Robert Wilkie
Secretary of Veterans Affairs
U.S. Department of Veterans Affairs
810 Vermont Avenue, NW
Washington, DC 20420

Dear Secretary Wilkie:

We write to express concern regarding the recent closure of Education Corporation of America's (ECA) national chain of for-profit colleges and to request information regarding the U.S. Department of Veterans Affairs' (VA) response to assist the student veterans who used their Post-9/11 GI Bill at the institutions owned by this company. We also ask that the VA continue to work with the U.S. Department of Education and with State Approving Agencies (SAAs) to ensure that student veterans affected by school closures receive accurate information about their options, including transfer opportunities that must not put students at further risk of harm.

After more than three years on the U.S. Department of Education's "Heightened Cash Monitoring" watch list for financial instability, ECA's chain of for-profit colleges announced on December 5, 2018 that it would be abruptly closing its more than 70 campuses in 21 states, including Brightwood College, Brightwood Career Institute, Ecotech Institute, Golf Academy of America, and Virginia College. According to the most recent data available on the VA's GI Bill Comparison Tool, more than 4,000 student veterans were attending ECA campuses in FY 2016. Following the collapse of Corinthian Colleges, Inc. ("Corinthian") and ITT Educational Services, Inc. ("ITT Tech"), the closure of ECA is another stark reminder that the VA and Congress must do more to protect student veterans from for-profit educational institutions with shaky finances that too frequently fail to deliver on the promise of a quality education to our nation's veterans.

School closures continue to disproportionately harm student veterans. Through the U.S. Department of Education and statutory protections, federal student loan borrowers may be eligible to discharge their entire student loan debt through the "closed school discharge" process if they meet certain criteria. The Harry W. Colmery Educational Assistance Act of 2017, also known as the "Forever GI Bill," does provide GI Bill beneficiaries with a limited restoration of benefits after a school closure for the current term they were enrolled, and temporarily extends the housing allowance to allow beneficiaries to make their rent or mortgage payments while they decide on next steps. The Forever GI Bill also increased protections for certain veterans attending closed schools between January 1, 2015 and August 16, 2017 by allowing the GI Bill beneficiaries from Corinthian, ITT Tech, and other closed schools to have their GI Bill benefits fully restored if they were enrolled at the time of the closure and did not transfer to another educational institution.

Unfortunately, the Forever GI Bill does not provide full restoration of GI Bill benefits going forward, including for ECA students. Additionally, the terms of the limited restoration may leave the ECA student veterans who were able to complete their current term without any restoration of their hard-earned GI Bill benefits whatsoever, despite the fact that those credits may carry little value. Unlike Corinthian and ITT Tech student veterans, ECA student veterans are facing the prospect that months or years of their benefits will have been effectively wasted.

As we consider legislative options to help student veterans and their families following a school closure, we ask that you respond to the following questions by January 10, 2019.

1. When did ECA notify the VA about the planned closures for each campus?
2. When and how did the VA notify GI Bill recipients about the closures for each campus?
3. How many Post-9/11 GI Bill recipients were enrolled at ECA colleges at the time of the announced closure? Please provide GI Bill enrollment data for each campus.
4. Please describe the specific steps the VA has taken to identify and assist Post-9/11 GI Bill recipients affected by ECA closures.
5. Under the Forever GI Bill, will ECA veterans be eligible for an additional housing allowance, and, if so, what is the duration of that relief?
6. Please describe how the VA is coordinating with SAAs, the U.S. Department of Education, or ECA to provide information to GI Bill recipients on their transfer options.
7. Please describe how the VA is ensuring that transfer options do not put student veterans at risk of further harm—such as providing guidance regarding institutions that have active caution flags on the GI Bill Comparison Tool.
8. How much funding from the VA did each of ECA's schools receive in academic years 2014-2015, 2015-2016, 2016-2017, and 2017-2018?
9. Post-9/11 GI Bill beneficiaries have recently experienced delays and underpayments in housing benefits this year. How many students impacted by the ECA closures were also affected by delays in housing payments, and will ECA students who may have received incorrect housing allowances be retroactively reimbursed?
10. Please provide information on any efforts by the VA to limit, suspend, or withdraw ECA's participation in the Post-9/11 GI Bill program prior to their announced closure and within the last five years.
11. Please provide information on the overall number of student veteran complaints to the GI Bill Feedback System about schools owned by ECA and the VA's efforts to address them since 2014.

Thank you for your attention to this matter. We looking forward to reading your responses and working together to help our student veterans when their schools close their doors.

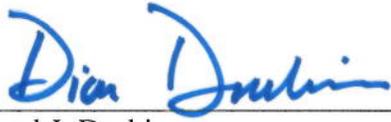
Sincerely,



Thomas R. Carper
United States Senator



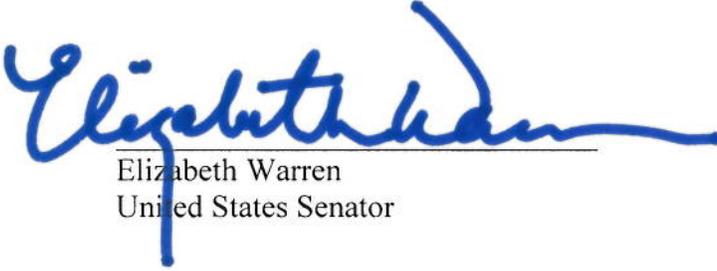
Richard Blumenthal
United States Senator



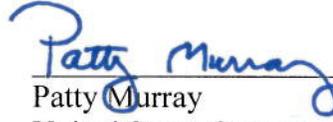
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