

**Testimony to the Senate Education Committee**  
**SB 1544 : Higher Education - Annual Revenues of For-Profit Institutions - Limitation on Enrollment**  
**Position: Favorable**

**February 4, 2020**

**The Honorable Rob Wagner, Chair**  
**Senate Education Committee**  
**cc: Members, Education Committee**

Honorable Chair Wagner and Members of the Committee:

My name is Jay Hernandez, and I am a Marine veteran from Oregon City, OR. I became a U.S Marine because I wanted more out of my life. I was born into poverty and into a disability-stricken family: my father was illiterate, my mother, legally blind. I loved my parents, of course, but growing up I really had no one to guide or mentor me through my education. I had no clue how to apply to college, and knew it wasn't an option for me anyway. What I did know was that I would have to work harder than most to carve out a fruitful life for myself. Enlisting in the military was a great first step.

My second step, not so much. One year before I left the service, the for-profit University of Phoenix began contacting me nonstop, trying to convince me to enroll. They called day in and day out, declaring themselves a "military-friendly" school that catered to veterans. During that time, I didn't really think about going to college. I was learning so much from the service and I had real-world skills.

My transition into civilian life, though, brought waves of uncertainty. I was making a decent wage in construction, but found hard labor to be difficult and painful because of a service-related injury. I quickly realized this would not be a sustainable career path, so I decided to use my GI Bill to pursue a college degree. Recalling University of Phoenix's endless recruiting efforts, and since they were the only school familiar to me, I enrolled in their online Bachelor of Science in Business with General Management Certificate.

Soon, however, I learned the hard way that Phoenix's "hard sell" was just that: a sales pitch, a transaction that had nothing to do with accommodating student veterans and everything to do with getting their hands on our GI Bill benefits.

With this insight I decided to change course and soon realized just how badly I had been deceived. I registered at Clackamas Community College in Oregon City only to be told my 20+

credits from Phoenix were not accredited and would not transfer there or anywhere else. I wasted over a quarter of my GI Bill at Phoenix for absolutely nothing.

Predatory for-profit institutions like University of Phoenix have scammed countless veterans like me since the GI Bill was passed in 2008. They aggressively recruit veterans, only to leave them with depleted benefits, sky-high loan debt and no accredited degree to show for it. And to make matters worse, the efforts by Secretary of Education Betsy DeVos to rollback recently enacted protections at the federal level will only make it easier for these predatory schools to defraud veterans and harder for veterans to protect themselves and seek remediation.

It is now imperative that states step up and enact their own set of protections and Oregon is poised to lead the pack when it comes to protecting our student veterans.

Oregon veterans want to see legislation pass that would close the for-profit college 90/10 loophole and would legally declare GI Bill benefits as taxpayer-funded aid. This would disallow for-profit schools from continuing to count GI Bill benefits as if the veteran was paying out of their own pocket, protecting student veterans in the process.

Oregonian veterans deserve this common-sense legislation that will protect them from lax federal oversight. Taxpayers deserve to know that GI Bill benefits will only go to institutions that bolster our success. And, grateful citizens deserve to know that our veterans are using their taxpayer-funded, one-time “thank you” GI Bill benefits at high quality, life-improving institutions, just as we all intend; just as they richly deserve.

Thank you for your time, and I urge you to vote in favor of SB 1544.

*Jay Hernandez - Oregon City, OR*