

Statements by President Obama

April 27, 2012

Remarks by the President and First Lady at Fort Stewart, Georgia
Hinesville, Georgia

So as President, I've made sure to champion the Post-9/11 GI Bill. And with that bill -- and the Tuition Assistance program -- last year we supported more than 550,000 veterans and 325,000 servicemembers who are pursuing a higher education. (Applause.) Because a higher education is the clearest path to the middle class. That's progress. But we've got more to do. We can't be satisfied with what we've already done, we've got more to do. We've got to make sure you've got every tool you need to make an informed decision when it comes to picking a school. And that's why Michelle and I are here today.

Right now, it's not that easy. I've heard the stories. Some of you guys can relate; you may have experienced it yourselves. You go online to try and find the best school for military members, or your spouses, or other family members. You end up on a website that looks official. They ask you for your email, they ask you for your phone number. They promise to link you up with a program that fits your goals. Almost immediately after you've typed in all that information, your phone starts ringing. Your inbox starts filling up. You've never been more popular in your life. All of these schools want you to enroll with them.

And it sounds good. Every school and every business should be out there competing for your skills and your talent and your leadership -- everything that you've shown in uniform. But as some of your comrades have discovered, sometimes you're dealing with folks who aren't interested in helping you. They're not interested in helping you find the best program. They are interested in getting the money. They don't care about you; they care about the cash.

So they harass you into making a quick decision with all those calls and emails. And if they can't get you online, they show up on post. One of the worst examples of this is a college recruiter who had the nerve to visit a barracks at Camp Lejeune and enroll Marines with brain injuries -- just for the money. These Marines had injuries so severe some of them couldn't recall what courses the recruiter had signed them up for. That's appalling. That's disgraceful. It should never happen in America.

I'm not talking about all schools. Many of them -- for-profit and non-profit -- provide quality education to our servicemembers and our veterans and their families. But there are some bad actors out there. They'll say you don't have to pay a dime for your degree but once you register, they'll suddenly make you sign up for a high interest student loan. They'll say that if you transfer schools, you can transfer credits. But when you try to actually do that, you suddenly find out that you can't. They'll say they've got a job placement program when, in fact, they don't. It's not

right. They're trying to swindle and hoodwink you. And today, here at Fort Stewart, we're going to put an end to it. (Applause.) We're putting an end to it.

The executive order I'm about to sign will make life a whole lot more secure for you and your families and our veterans -- and a whole lot tougher for those who try to prey on you. Here's what we're going to do.

First, we're going to require colleges that want to enroll members of our military or veterans or your families to provide clear information about their qualifications and available financial aid. You'll be able to get a simple fact sheet called "Know Before You Owe." Know before you owe. (Applause.) And it will lay out all the information that you need to make your own choices about how best to pay for college.

Second, we're going to require those schools to step up their support for our students. They need to provide a lot more counseling. If you've got to move because of a deployment or a reassignment, they've got to help you come up with a plan so that you can still get your degree. (Applause.)

Number three, we're going to bring an end to the aggressive -- and sometimes dishonest -- recruiting that takes place. We're going to up our oversight of improper recruitment practices. We're going to strengthen the rules about who can come on post and talk to servicemembers. (Applause.) And we're going to make it a lot easier for all of you to file complaints and for us to take action when somebody is not acting right.

<http://www.whitehouse.gov/the-press-office/2012/04/27/remarks-president-and-first-lady-fort-stewart-georgia>

August 23, 2013

Remarks by the President in Town Hall at Binghamton University
Binghamton, New York

Q I'm a doctoral student here as well as a writing instructor at Syracuse University. And I'm interested in the giving of federal funds to students who are going to for-profit colleges -- or colleges I might even call predatory. And I'm very conflicted about this issue and so I'd like to hear your insight. Thank you.

THE PRESIDENT: Well, you probably know more about it than I do since you've written about it. But let me describe for the audience what the challenge is.

For-profit institutions in a lot of sectors of our lives obviously is the cornerstone of our economy. And we want to encourage entrepreneurship and new ideas and new approaches and new ways of doing things. So I'm not against for-profit institutions, generally. But what you're absolutely right about is, is that there have been some schools that are notorious for getting students in, getting a bunch of grant money, having those students take out a lot of loans, making big profits, but having really

low graduation rates. Students aren't getting what they need to be prepared for a particular field. They get out of these for-profit schools loaded down with enormous debt. They can't find a job. They default. The taxpayer ends up holding the bag. Their credit is ruined, and the for-profit institution is making out like a bandit. That's a problem.

I was mentioning veterans earlier. Soldiers and sailors and Marines and Coast Guardsmen, they've been preyed upon very badly by some of these for-profit institutions. And we actually created a special task force inside our consumer advocate protection organization that we set up just to look out for members of the armed forces who were being manipulated. Because what happened was these for-profit schools saw this Post-9/11 GI Bill, that there was a whole bunch of money that the federal government was committed to making sure that our veterans got a good education, and they started advertising to these young people, signing them up, getting them to take a bunch of loans, but they weren't delivering a good product.

This goes to, then, the point I made earlier about how we can rate schools. We're going to spend some time over the course of the next year talking to everybody -- talking to university professors, talking to faculty members, talking to students, talking to families -- but if we can define some basic parameters of what's a good value, then it will allow us more effectively to police schools whether they're for-profit or non-for-profit -- because there are some non-for-profit schools, traditional schools that have higher default rates among their graduates than graduation rates -- and be able to say to them, look, either you guys step up and improve, or you're not going to benefit from federal dollars. (Applause.)

Because there are a bunch of schools like this one that are doing a good job, and we don't want money being funneled to schools that aren't doing a good job. We want to encourage students to be smart shoppers, to be good consumers.

So there are probably more problems in the for-profit sector on this than there are in the traditional non-for-profit colleges, universities and technical schools, but it's a problem across the board. And the way to solve it is to make sure that we've got ways to measure what's happening and we can weed out some of the folks that are engaging in bad practices.

Great question.

<http://www.whitehouse.gov/the-press-office/2013/08/23/remarks-president-town-hall-binghamton-university>