

***Alliance For Economic Stability, Inc.***

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August 5, 2010

The Honorable Thomas Harkin, Chairman  
The Honorable Michael B. Enzi, Ranking Member  
Committee on Health, Education, Labor and Pension (HELP)  
United States Senate  
428 Senate Dirksen Office Building  
Washington, D.C. 20510

Dear Chairman Harkin and Ranking Member Enzi:

I thank you for holding the August 4<sup>th</sup> hearing of the Health, Education, Labor and Pensions Committee concerning for-profit educational institutions (the "For-Profits"), and appreciate the questions and insight offered by Committee members. I write now to express certain views on the means of remedying apparent unethical or even illegal conduct by certain For-Profits' staff, as detailed in the report by the U.S. Government Accountability Office ("GAO"), the testimony of a GAO official before the Committee, and the related video evidence.

The Alliance for Economic Stability ("AES") is a non-partisan, non-profit organization devoted to advocating policy to safeguard Americans' savings and to prevent waste of taxpayer funds. In particular, the AES has focused on advocating better oversight of federal administrative agencies, which often have considerable discretion in deciding how a law is interpreted and enforced. As part of this effort, the AES has advocated better oversight of the For-Profits.

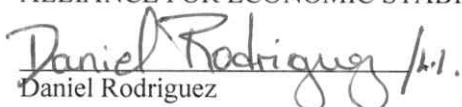
The evidence presented by the GAO shows that unethical or even illegal conduct by the For-Profits' staff appears systematic. While certain comments from Committee members alluded to the creation of new legislation to address the evident problems at For-Profits, the comments from the persons providing testimony emphasized that the proper enforcement of current law, rather than the creation of new law, would best serve the purpose of preventing waste of tax-payer funds and assuring the integrity of the American university system.

Therefore, the AES urges you, as part of your efforts to address unethical conduct or other deficiencies at the For-Profits, to consider how to provide for more effective enforcement of current law by the Department of Education ("DOE"). To assist in your efforts, please find attached letters from the AES to the DOE, containing specific criticisms and advice on the enforcement procedures of the DOE's Office of Inspector General ("OIG").

The AES believes that the OIG is deficient in its enforcement of current law, and that there must be greater oversight of the OIG to ensure effective enforcement.

I have served as an adjunct professor of business at both two-year and four-year colleges, and know the extent to which students today struggle to handle the substantial costs of an education. I hope very much that your work will help to ensure that fewer students are victimized by unethical practices at the For-Profits.

Sincerely,  
ALLIANCE FOR ECONOMIC STABILITY, INC.

  
Daniel Rodriguez

cc: HELP Committee Members