



## Office of Congressman Mark Takano

### **PRO Students Act (Protections and Regulations for Our Students Act)**

We know that postsecondary education is becoming more and more important to future success. At the same time, the cost of higher education – and with it student debt – continues to rise. In light of these two facts, it is critical that our students are able to make informed decisions about where they will receive the quality, affordable higher education that is right for them. Unfortunately, some schools, particularly those in the for-profit college sector, are employing predatory, fraudulent, and deceptive practices to enroll students, and then leave them with unsustainable debt, worthless credits, certifications, and degrees, and dismal job prospects.

The PRO Students Act is designed to protect our nation's students from these bad practices and bad actors. By ensuring that students have access to important and accurate information and data, strengthening oversight and regulation, and holding schools accountable for violations and poor performance, we can help ensure that our student and taxpayer dollars are being well spent, and that students are receiving quality, affordable education.

Below is a summary of the provisions in the bill:

- Require proprietary institutions to derive at least 15% of their revenue from non-federal student aid and ensure that military and veterans' education benefits are included in that calculation.
- Prohibit schools from using revenues derived from federal student aid for recruiting and marketing.
- Launch a complaint tracking system for students to report grievances.
- Establish a Proprietary Education Oversight Coordination Committee and create a framework for targeting and prioritizing program reviews by the Department of Education.
- Strengthen sanctions for violations, establish a Student Relief Fund, and bolster consumer protections for students.
- Improve the quality of and access to key information, such as the student default risk index, cohort default rates, loan repayment rates, degree completion rates, and accreditation documents.
- Prohibit pre-dispute arbitration clauses in loan contracts that waive the rights available to borrowers against loan servicers.
- Prohibit incentive compensation based on recruitment or academic success.
- Strengthen whistleblower protections for faculty and staff.