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## Shows: Is Plan for Private Sector Colleges Bad News for Blue Dogs?

April 23, 2010, 2:15 p.m.

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Special to Roll Call*

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No doubt about it, this is going to be a tough re-election year for many Democrats. It will be particularly so for the conservative Blue Dogs who hail from the small towns of the Deep South, as I do.



For Blue Dogs, the best politics over the next several months will be to steer Congress and the Obama administration toward policies that are centrist, focused on reducing our national debt and improving the lives of the American people. After all, I have always believed that good policy is good politics. And good policies are what the American people are demanding, Republican and Democrat alike.

One storm on the horizon that most Blue Dogs are probably unaware of right now is a proposed rule change by the Department of Education that will recommend a “gainful employment” provision as part of federal student loan programs. This rule is currently working its way through the Obama administration, and if enacted would dramatically reduce or eliminate the number of private sector colleges in the United States. By private sector, I mean colleges such as trade schools that advertise and not private colleges such as New York University or the University of Southern California.

The proponents of the gainful employment provision are doing this because they assert that graduates from private sector colleges don’t find jobs that pay enough to justify their receiving federal aid, which threatens to raise the number of federal loan defaults.

This assertion is woefully off the mark. A lot of private sector colleges do help students find good jobs, and the gainful employment provision does not distinguish between good programs and bad ones — it shuts them both down. It also fails to take into account many other factors impacting a student’s ability to find a job, such as their family responsibilities or temporary trends in the job market.

This provision is also bad news for taxpayers, because two-year programs at private sector schools are expanding at roughly four times the rate of their public two-year counterparts. For the taxpayer, private sector colleges are a blessing because the total tax burden to educate a student at a private sector college is significantly less than the tax cost for a student at a public college, which is heavily subsidized by federal, state and local funding.

In America, private sector colleges are playing a larger role than ever before. In fact, today, only 18 percent of students attend four-year colleges right after high school. Private sector colleges also serve a large number of students who are low-income, minority and the first generation to attend college, as well as working and unemployed adults. If Democrats want to improve the lives of regular people, reputable private sector colleges need to play a role.

If gainful employment is enacted, the Career College Association estimates that one-third of private sector programs will disappear, and that by 2020, approximately 5.4 million students who are on track to attend these programs would be denied access. In the allied health fields alone last year, 54 percent of all graduates were

private sector students, as were almost 10 percent of nurses. If Democrats want health care reform to be successful, we are going to need more trained nurses and health professionals, not fewer.

President Barack Obama wants America to have the highest percentage of college graduates in the world by 2020. This goal will require educating millions of additional college students at a cost of many billions of dollars and cannot be met without the participation of quality private sector colleges. Otherwise, there is no way to achieve these goals without putting a much more serious burden on the taxpayer. Democrats should pursue policies that reduce costs to taxpayers, not the other way around.

President Obama also declared that he wants to help an additional 5 million Americans earn degrees and certificates in the next decade. With state universities and community colleges facing daunting budget cuts, as they are in my home state of Mississippi, President Obama will need the private sector to help him realize his goal.

Nothing focuses the mind of a politician more than the threat of losing an election. I think moderate Democrats understand that creating regulations that prevent students from advancing their education and increasing burdens on taxpayers is not only detrimental to the long-term health of the nation, but it could spell political disaster as well.

**Former Rep. Ronnie Shows (D-Miss.) is a former teacher who was a member of the Blue Dog Coalition when he served in Congress.**

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