

Dear Members of the Senate Education Committee,

This written testimony is in regards of SB1544.

My name is Don Moutos and I am the president of Pioneer Pacific College and Oregon Culinary Institute. We are an Oregon based, locally owned and operated proprietary degree granting career college and have been serving Oregon for almost thirty years. We have a variety of career path programs, with primary emphasis in Healthcare and Culinary education, which has allowed students to focus on hands on skill based education and workforce preparation. In our history of serving Oregon we have graduated over 15,000 students. Out of these people a small percentage have been veterans, or approximately 600, and primarily from our Oregon Culinary Institute. Currently there are 72 veterans attending PPC/OCI campuses. Revenue from these veterans accounts for 6% of total tuition revenue. Of the 72 students attending, 54 are located at OCI. Even though this number is small, these folks selected us as their educational option, even though we never have marketed directly to veterans, and my concern is that this bill will absolutely limit veteran's educational options across all career colleges in Oregon. I can also assure you that most of these students will not go to local public institutions considering that forty percent of the students we have served over the years tried that option and dropped out to come and complete our programs.

The regulations that currently exist, both from the USDVA and the USDOE level, are more than sufficient to safeguard our veterans. Every student that enrolls receives an enrollment agreement and all disclosures for the full cost of the program up front with full transparency. A bill like SB1544 will only accomplish to force proprietary schools to either limit or eliminate the admission of veterans in career programs. Furthermore, the way the language reads it will require all the monies an institution receives from veterans to be included in the 90% part of the 90/10 component for the ratio. The issue with that is that even though many veterans have their benefit to pay for their education, they also take out Title IV monies for living expenses and we are not allowed to prevent anyone from taking out Title IV even if their programs are fully covered by another source. The equation is offset and balanced by that since the Title IV monies are counted in the 90%. To include the VA benefit would in effect double the amount that is counted in that percentage and punish good schools that work hard to serve Oregon students.

Given the wording of SB1544, it is unclear if the calculation for determining the ratios established will follow USDOE or USDVA guidelines in Oregon. The way the bill reads it is assumed that it will be calculated individually for each campus and that will pose an expensive administrative burden to both the institutions as well as the folks tasked to oversee this process. Given the higher number of veterans that attend OCI, the impact will be devastating if all veterans' funds are removed for the calculation (the wording in the bill is such that even cash payments now count toward the ratio). The high number

of veterans at OCI is due to the excellent reputation of the school (OCI is the premier culinary school in Oregon) and amazing occupational outcomes. Veterans who attend the OCI culinary program can expect a 93% job placement rate immediately following graduation. Finally, as it stands, the HECC is understaffed not only to oversee the small number of Oregon based and operated career colleges but to also oversee the large number of out of state schools that recruit Oregonians into their programs. To add more to their workload will only further slowdown, an already slow, lengthy and time consuming process, with the approval and turn around process of programs that are demanded by employers of our schools. This bill will require the expenditure of tax dollars to further staff the HECC department that oversees proprietary schools.

Respectfully,

Don Moutos, President

Pioneer Pacific College/Oregon Culinary Institute