

Mr. BARRASSO. Mr. President, reserving the right to object, this is something my colleagues have not had a chance to review. As a result, and not knowing the specific details and with colleagues now traveling back to their home States, on behalf of them, I do object.

The PRESIDING OFFICER. Objection is heard.

Mr. DORGAN. Mr. President, I understand my colleague from Wyoming suggests there are some here who may not be acquainted with this legislation. I have spoken to both Republicans and Democrats today, during the course of the proceedings, because I think it is very important. I think this is something we need to fix as well. I understand my colleague from Wyoming is objecting on behalf of others.

Let me make one other point on this. I have spent a fair amount of time talking to Senator KYL about this. He is on an airplane at the moment. He was not able to hear from the Congressional Budget Office before he left town. I do hope, even though there is an objection now—and to be fair to my colleague, he is objecting on behalf of other Senators with respect to this—that we can find a way to repair this because I think it is very important that we do so.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter dated August 5, 2010 from the CBO.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, August 5, 2010.

Hon. BYRON L. DORGAN,
Chairman, Committee on Indian Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As you requested, CBO has reviewed a draft bill to ensure that amounts appropriated to the Bureau of Indian Affairs under the American Recovery and Reinvestment Act of 2009 remain available until September 30, 2010. The draft bill would repeal a provision in H.R. 1586, the FAA Air Transportation Modernization and Safety Improvement Act, as passed by the Senate on August 5, 2010, that would rescind certain unobligated balances from the Indian Guaranteed Loan Program Account.

CBO estimates that for the purpose of budget enforcement procedures in the Senate, passage of the draft bill would be considered to have no budgetary effect, because it would be amending legislation that had not yet cleared the Congress.

We also estimate that if the draft bill is passed by the Senate, passage of both bills by the House would lead to about \$3 million more in direct spending than passage of just H.R. 1586 because the rescission in H.R. 1586 would be repealed. For the purpose of budget enforcement procedures in the House, that \$3 million would affect the cost of whichever bill cleared the House later.

That \$3 million cost would not count for the purpose of statutory pay-as-you-go procedures, because the funds affected were designated as an emergency requirement when originally appropriated.

I hope this information is helpful to you. If you wish further details on this estimate, we would be pleased to provide them. The CBO

staff contact is Jeff LaFave who may be reached at 226-2860.

Sincerely,

DOUGLAS W. ELMENDORF,
Director.

Mr. DORGAN. With that, I yield the floor.

TRIBUTE TO HERCULEZ GOMEZ

Mr. REID. Mr. President, today I come to the Senate floor to congratulate Herculez Gomez, a dedicated and disciplined soccer player from Las Vegas, who was one of 23 men to represent the country during the 2010 FIFA World Cup in South Africa as part of the U.S. Men's National Team. Herculez, who currently plays in Mexico's Professional First Division for Pachuca F.C., made the final cut after being selected from the 30-man provisional World Cup U.S. roster.

As the oldest of five children, Herculez was born in Los Angeles to Mexican-American parents and later moved to Las Vegas where he was raised. While attending Las Vegas High School, he joined the high school's soccer league, where he cultivated a passion that would launch his career in the MLS league, and later earn him an unexpected, but well-deserved slot to represent his home State of Nevada and the United States in the 2010 World Cup this past June.

Throughout the years Herculez has developed a very successful soccer career, playing for several teams both in the United States and Mexico. Despite having suffered several physical injuries, such as broken foos and torn ligaments, through perseverance and patience Herculez has made a name for himself as dedicated player and rising star. While playing with the Puebla F.C. in Mexico, he became the first American player to score the most number of goals for a foreign league, netting 10 goals in the 2010 Mexican season.

During the 2010 FIFA World Cup, Herculez played in three of the four U.S. men's team World Cup games, and started in one of them. Although the team's quest for our first World Cup ended in the round of 16, Herculez represented Nevada and his country brilliantly and I look forward to seeing bigger and better performances from this Las Vegas star.

FOR-PROFIT COLLEGES

Mr. DURBIN. Mr. President, lately it seems that there is nothing the Senate can agree on. We argue on partisan lines over every issue imaginable.

But I know of at least one issue that would bring every Member of the Senate to the floor in agreement: Pell grants.

This is a program designed to help poor students get the education they need to give themselves and their families a better future. Millions of Americans have seen the benefits of the Federal investment in Pell grants first hand.

Over the past 2 years, the Congress has provided significant increases in funding to the Pell grant program. We have raised the maximum Pell grant to an all time high of \$5,550 and we set a course so the grants will continue to rise reaching almost \$6,000 in 2017.

I have supported those increases. The recent expansion of the Pell grant program is essential for our economic recovery as Americans are returning to college to learn new skills.

But the investment does not come without a cost. To finance the higher Pell grant levels, we invested \$17 billion from the Recovery Act and \$36 billion from the recent reconciliation bill.

And we still have a shortfall this year caused by the tremendous new demand for Pell grants.

I have spoken before about my concern that increases to Federal student aid are diminished by the skyrocketing cost of higher education at many colleges and universities, but today I want to discuss a new threat to the Federal Pell grant program—in the form of for-profit colleges.

I am worried that a portion of the investment of taxpayer funding into higher education may be going to waste at the hands of for-profit colleges.

For-profit institutions of higher education have experienced a meteoric rise. Two decades ago, the phrases “for-profit college” or “proprietary school” would have conjured up images of the beauty school around the corner or the trade school down the street. Most of those schools were small mom-and-pop operations. Some were bad apples that wasted taxpayer money and some provided needed training to students with no other opportunities, but their impact was small.

That is no longer the case. Today, the largest recipient of Federal financial aid is a for-profit institution that enrolls over 450,000 students, many of those online.

Enrollment at for-profit colleges has grown by 225 percent over the past 10 years.

The 14 publicly traded companies in the industry enrolled 1.4 million students as of 2008.

Because of the high price of tuition and the active recruitment of low-income students, for-profit colleges receive a tremendous amount of Federal financial aid funding. For-profit colleges received \$4.3 billion in Pell grants in 2009.

We also need to examine the funding that for-profit schools are receiving from other Federal sources.

Along with the billions of dollars in Pell grants and Federal student loans, the for-profit college industry also receives significant funding from the Department of Defense through tuition assistance and from the Department of Veterans Affairs through the G.I. bill.

Some for-profit institutions serve active-duty students and veterans well by offering flexible course schedules, distance learning, and course credit for military training.

But there are also reports of for-profit colleges aggressively targeting military personnel. One prominent for-profit it has 452 military-focused recruiters. It is troublesome that so much money is spent on recruiting students whose tuition is paid by the Federal Government.

The tuition payments for active military and veterans funding does not count towards the 90 percent Federal funding limitation, which makes Defense and G.I. bill funding particularly attractive to for-profit colleges.

Their tactics are working. Seven of the top 10 recipients of G.I. bill funding in the last school year were for-profit colleges.

It is time we examined these sources of funding. This week, Senator WEBB and I are sending letters to Secretary Gates and Secretary Shinseki asking some important questions about the Federal investment in for-profit colleges as well as the quality controls over these institutions.

And students who attend for-profit colleges are more likely to borrow student loans than students attending public or nonprofit colleges. And they take out larger student loans.

In 2008, one-quarter of graduates from for-profit schools had borrowed more than \$40,000 to finance their education.

There are good trade schools and for-profit colleges, and they serve an important purpose with job training that provides a way up the economic ladder.

But that is not the case across the board. Too often, those loans and Pell investments are not paying off.

For-profit schools enroll just 10 percent of all students in higher education, but their students use 25 percent of all Federal aid and represent over 40 percent of all student loan defaults.

Students are enrolling in for-profit colleges in search of opportunity. At some of these schools they learn important skills, graduate, and move on to good careers.

But too many students drop out or graduate only to realize that the education they have borrowed so heavily for has not provided them the skills or credentials they need to find employment.

These students will often find their high monthly student loan payments impossible to meet and stop paying.

A few weeks ago, the Chicago Tribune told the story of Denise Parnell. Denise is a single mother who dreams of becoming a nursing assistant.

She enrolled at an Illinois for-profit college where she completed an 8-month program that she was promised would lead to a career.

But in June, Denise and the other students in her program learned that the school's program wasn't approved by the State Department of Public Health. Denise was not eligible to take the exam she needed to become a certified nursing assistant.

Denise had wasted a year of her life in a program leading nowhere. And

even worse, she owes more than \$13,000 in student loans for her trouble.

Before she enrolled at that for-profit college, I wish Denise had looked to her local community college.

There, she would find many programs of study that could give her the skills she needs to start a new career as a health care worker. But community colleges are not able to compete with the marketing skills of for-profit colleges.

Many for-profit colleges spend substantial sums of money on recruiting and marketing through television commercials, billboards, phone solicitation, and other direct marketing.

In fact, many for-profit colleges spend barely half of their budget on education and nearly one-third on recruiting and marketing. At least one prominent school actually spends less on teaching than it does on marketing.

This is a recipe for disaster. Low-income students come to for-profit colleges in droves, lured by promises of high-paying careers, flexible courses, and easy financial aid.

But when they enroll, they may find that far less money is put into educating them than on recruiting them.

Today, the Government Accountability Office released a report documenting the recruiting practices of for-profit colleges.

Senator HARKIN asked GAO to send undercover investigators to determine if for-profit colleges' admissions representatives were engaged in deceptive marketing tactics.

GAO sent undercover applicants to 15 for-profit colleges, including two in Illinois.

At every single one, they found that recruiters made deceptive or otherwise questionable statements.

And at four of the schools, the for-profit college representatives actually encouraged fraud.

Some of the tapes of those encounters would shock you.

The recruiters made false claims about potential salaries, program duration, cost, and graduation rates. Other recruiters encouraged students to lie on their financial aid forms.

In one video, the representative informs a prospective applicant that some graduates are making \$1,000 a day as barbers in the District of Columbia. That would be a salary of around \$250,000 per year. The average barber in DC makes \$19,000.

In another video, the recruiter claims that you don't have to pay back your student loans at all. She says that unlike a car loan, no one will come after you for not paying a student loan.

In several videos, recruiters refuse to let the applicant speak to financial aid officers until he enrolls in the school.

Throughout, the representatives of the for-profit colleges employ aggressive tactics and convey false information to prospective students in order to sign them up.

Why is all this pressure placed on students? Money.

In many for-profit schools, recruiters' salaries, bonuses, or promotions are determined by how many students they sign up.

As a result, they try to bring in as many students as possible—regardless of their ability to succeed or complete the program—and load them up with loans.

Students deserve full and complete information when enrolling in a college and taking on large amounts of debt.

Students should be informed about debt loads, completion rates, job placement rates and salaries, and accreditation information so that they and their families can make smart choices.

Instead, students are being misled, misinformed, and lied to.

Students are not the only ones being taken advantage of by the worst for-profit colleges. Taxpayers are on the hook as well when Pell grants are wasted or when student loans are defaulted on.

When a student cannot repay his loan, the college he attended bears no responsibility. Instead, the taxpayers take the loss.

Steve Eisman, profiled in the book "The Big Short," has discussed the similarities between the subprime mortgage industry and the for-profit college industry. Some of his predictions are startling.

He estimates that over the next 10 years, former students of for-profit colleges will owe \$330 billion on defaulted loans and fees. Given our current fiscal situation, that is not a cost we can bear.

Eisman believes that if we don't rein in this industry, we will face another social disaster akin to the collapse of the housing industry. I hope that does not come to pass.

This is a situation that demands our attention.

Along with several of my colleagues in the House and Senate, I've asked the Government Accountability Office to review the quality of for-profit colleges and make recommendations based on its findings.

I commend Senator HARKIN for holding oversight hearings in his committee on this important issue, including a hearing this week on marketing and recruitment by for-profit colleges. I look forward to working with him on legislative action.

I also commend the administration and specifically the Department of Education for their engagement on this issue.

Unfortunately for the taxpayer and for countless students, the previous administration loosened many regulations that have made it easier for abuses to occur. I am pleased to see the current administration back on the appropriate track. The Department of Education has proposed a number of new regulations that will address some of the abuses in the industry.

Several of my colleagues are working with me on the President's Deficit Reduction Commission. One of the principles guiding our work is not just what we're spending, but how wisely.

Does it make sense for the Federal Government to send Pell grants to schools that are spending more of that money on marketing than on education? Does it make sense for the Federal Government to guarantee loans to students who are given no realistic chance at the career they think they are training for?

We need to look carefully at this trend in for-profit schools. If enrollment has increased by 225 percent over 10 years, while \$4 billion in Federal dollars went to for-profit schools last year, and 40 percent of their students are defaulting on their loans . . . this may not make sense.

REMEMBERING SENATOR ROBERT C. BYRD

Mrs. LINCOLN. Mr. President, the death of Senator Robert Byrd is a tremendous loss to the Senate, the State of West Virginia, and the entire Nation. As the longest serving Member of Congress, his political career spanned multiple Presidencies, and he was a witness to countless American advances and achievements. He has served his state and our country for more than half a century, and he will be greatly missed.

Senator Byrd embodied the history and traditions of the Senate, and his incredible knowledge of our Constitution, Congress and the legislative process benefited every Member who served alongside him. I met with Senator Byrd when I was first elected to the Senate, and I will be forever grateful for his generosity and willingness to assist his colleagues.

I will always remember Senator Byrd as a committed public servant who was deeply devoted to his State and his country. He was known as the conscience of the Senate for his dedication to the body's history, legislative process and rules, serving as a principled legislator. He made many sacrifices to give his life to public service, and we owe a lot to Senator Byrd for this reason. I am deeply saddened by his passing and know he will be missed.

Mr. CHAMBLISS. Mr. President, I rise to pay tribute to a colleague whose devotion to this body, and to this Nation, was personal, heartfelt and legendary. I am talking about none other than the senior senator from West Virginia, Senator Robert Byrd.

Senator Byrd's time on Earth was a life characterized by commitment. He exemplified this rare quality through his 70-year marriage to his high school sweetheart Erma James Byrd. But this was far from the only deep commitment in Senator Byrd's life. His dedication to the U.S. Senate was proved by his actions and his storied career. His life in the Senate began in 1958 with a victory that included 59 percent of the vote, the smallest margin of victory in Senator Byrd's half century-plus career. During his 57 years in Congress, Byrd worked with 12 future Presidents. He was known for telling his colleagues

that he did not serve under any Presidents, but alongside them.

In Senator Byrd's portrait in the Old Senate Chamber, his image is surrounded by his wife, the Bible, and the U.S. Constitution. This is only fitting, considering that Senator Byrd used references from the Bible and the U.S. Constitution in many of his speeches and in his everyday dealings with fellow lawmakers. In a speech by Senator Byrd on October 13, 1989, he said, "The Constitution is the old landmark which they have set. And if we do not rise to the call of the moment and take a stand, take a strong stand, against our own personal interests or against party interests, and stand for the Constitution, then how might we face our children and grandchildren when they ask of us as Caesar did to the centurion, 'How do we fare today?' and the centurion replied, You will be victorious. As for myself, whether I live or die, tonight I shall have earned the praise of Caesar."

I can say that Senator Byrd is deserving of the praise of West Virginians, and, indeed, all Americans, for his devotion to the Senate and to our Nation. He will be missed by his colleagues, and we are grateful for his life's work.

Mr. MCCAIN. Mr. President, no Senator has ever loved the institution of the U.S. Senate more than Senator Robert Byrd. I firmly believe that. He truly believed that the upper Chamber of Congress was the greatest deliberative body on Earth and he always strived to preserve its traditions and history for the generations to come as well as being the Senate's foremost instructor on Senate procedure and process.

I was able to be a "student" of Senator Byrd's instruction when we worked together in 2005 to preserve Senate rule XXII, commonly known as the "filibuster." Senator Byrd joined with me, along with six other Republican Senators and six Democrat Senators to form what became the "Gang of 14." During the meetings between these 14 Members, which were often held in my office, I fondly recall the silence that would overcome the room when Senator Byrd spoke about the history of the filibuster and the rights of the minority in the Senate. It is not often that 13 members of the Senate are quiet for any given period of time. But Senator Byrd's stature and intellect brought the room to a standstill.

Senator Byrd is remembered for being a strong majority leader and minority leader for his party. But as he reminded all of us during those meetings in my office, when he served as majority leader during President Reagan's time in office, Senator Byrd did not lead his Democratic caucus to filibuster any of President Reagan's judicial nominees. That was a different time with different leaders, but Senator Byrd's actions reflect his sincere desire for statesmanship and his respect for the President's nominees. His

speech on the Senate floor in 2005 regarding the filibuster reflected this desire when he said:

I rise today to make a request of my fellow Senators. In so doing, I reach out to all Senators on both sides of the aisle, respectful of the institution of the Senate and of the opinions of all Senators, respectful of the institution of the Presidency as well. I ask each Senator to pause for a moment and reflect seriously on the role of the Senate as it has existed now for 217 years, and on the role that it will play in the future if the so-called nuclear option or the so-called constitutional option—one in the same—is invoked. I implore Senators to step back—step back, step back, step back—from the precipice. Step back away from the cameras and the commentators and contemplate the circumstances in which we find ourselves. Things are not right, and the American people know that things are not right. The political discourse in our country has become so distorted, so unpleasant, so strident, so unbelievable . . .

He was not only a leader in 2005 against removing the judicial filibuster rule, he was a life-long leader in the Senate against allowing Senators to issue secret holds. His motives were noble, and he fought for its elimination until the end. In his final speech, entered into the RECORD but not delivered, he defended an individual Senator's right to block legislation in secret. "Our Founding Fathers intended the Senate," he lectured colleagues last month in one of his last appearances, to have "unlimited debate and the protection of minority rights."

Senator Byrd's respect for Senate rules and procedure were second only to his defense and passion for the Constitution. Because of his leadership, we were able to establish September 17 as Constitution Day. Now, annually, students across the country will learn about and celebrate the document that governs our Nation and hopefully understand the significance of this unparalleled document that has established freedom and sovereignty of our citizens for hundreds of years.

Senator Byrd spent practically all of his adult life serving the American people for which we are all grateful. Even when he disagreed with his peers in the Senate, he respected their intellect and views. I am honored to have served beside him. He once said, "On the great issues, the Senate has always been blessed with senators who were able to rise above party and consider first and foremost the national interest." I agree and hope the Senate continues to attract candidates who will rise above politics for the good of our country and who will appreciate the history of the institution as Senator Byrd did.

Senator Byrd gave his life to the service of his country and the Senate and the Nation will miss him and the important leadership and sense of history that he brought to this body every day.

Mr. BEGICH. Mr. President, today I would like to add to the heartfelt sentiments we have heard expressed by many colleagues and many more