

NEW YORK CITY  
DEPARTMENT OF CONSUMER AFFAIRS  
PUBLIC HEARING ON PROPOSED RULES TO PROHIBIT  
DECEPTIVE TRADE PRACTICES BY CERTAIN NON-PROFIT SCHOOLS

42 Broadway, 5th Floor

October 17, 2019

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1 H.O. CARLOS ORTIS: Good morning, folks.  
2 MR. MARC JEROME: Good morning.  
3 MS. [LAST NAME]: Good morning.  
4 H.O. ORTIS: My name is Carlos Ortis  
5 [phonetic] and I am designated as the hearing officer  
6 for the Public Hearing of Department of Consumer  
7 Affairs on the Proposed Rules to Prohibit Deceptive  
8 Trade Practices by Certain for-profit Schools. This  
9 hearing is being held in the 5th floor conference room  
10 at the department's offices at 42 Broadway in Lower  
11 Manhattan. It's now 10:30 on Thursday, October 17,  
12 2019. And I'm a here -- and I am hereby convening the  
13 public hearing on this proposed rule. The proposed  
14 rule was published in the City record on September 13,  
15 2019. Copies of the published notice and rules are  
16 available on the table to my left as well as online.  
17 The department has proposed these rules pursuant to  
18 the authority vested in the Commissioner of Department  
19 of Consumer Affairs by sections 1043 and 2203(f) for  
20 the New York City Charter and section 20-702 of the  
21 New York City Administrative Code. This hearing  
22 affords the public the opportunity to comment on all  
23 aspects of the rules the department has proposed. The  
24 department will carefully review all testimony or any  
25 comments received at this hearing and will give due

1 weight and consideration to all adequately  
2 substantiated proposals and recommendations that are  
3 submitted for the record at this hearing. To ensure  
4 that everyone is seeking to testify has the  
5 opportunity to do so, I will strictly follow these  
6 ground rules. Anyone seeking to testify must complete  
7 the registration card so you can be correctly  
8 identified in the hearing record. Witnesses will be  
9 called to order and will be called to order to testify  
10 in the order that they have signed in. Anyone who  
11 does not appear when his or her name is called will be  
12 deemed to have passed over the opportunity to testify.  
13 Persons who have passed over will be called at the end  
14 of the hour. Persons who still don't appear must then  
15 sign in again if they still wish to testify. Each  
16 witness will have the maximum of three minutes to  
17 testify. To be fair to everyone seeking to testify  
18 especially given the size of the room, I will strictly  
19 apply this three minute rule to every speaker. If  
20 your comments take longer than three minutes, please  
21 synthesize your old testimony and leave a written copy  
22 for the record. Unlike the limit for, for time on  
23 testimony, oral testimony, there is no limit on the  
24 number of pages you can submit as written comments or  
25 as documents for the record. The written submission

1 will be made part of the record as exhibits presented  
2 with your testimony. So, I'll make a couple of  
3 housekeeping announcements. Emergency exits are out  
4 of the door into the right, restroom facilities are  
5 out the door into the left. Please turn off all cell  
6 phones or turn into vibrate. When delivering  
7 testimony, please take a seat over here to my right so  
8 that we can hear your testimony for the record. And I  
9 will now call the first witness, Mr. Marc Jerome.

10 MR. MARC JEROME: Good morning. My name is  
11 Marc Jerome. And I am the President of Monroe College  
12 in the Bronx. I actually fully agree with the  
13 Department of Consumer Affairs that students should be  
14 protected from too much debt, low graduation rates and  
15 false and misleading information. However, I firmly  
16 believe that this proposed rule doesn't accomplish any  
17 of this and in fact will harm students and confuse New  
18 York families. The rule also unfairly penalizes many  
19 ethical institutions like mine and doesn't do enough  
20 to protect low income students, no matter where they  
21 attend. In fact, low graduation rates, high loan  
22 default and aggressive advertizing can be found across  
23 higher education throughout New York City. I'll start  
24 with a proposal. I propose that a task force is  
25 formed that has DCA, New York State Education

1 Department, the consumer groups and higher education  
2 institutions to work on these issues wherever they may  
3 be found. I am a total believer and in agreement with  
4 DCA that students and families deserve accurate and  
5 consistent information on schools or programs they  
6 want to attend. Yet this proposal includes new  
7 untested graduation rate metrics that only apply to  
8 for-profit institutions and would not apply to our  
9 peers. It actually makes no sense that a Bronx  
10 student considering programs at Monroe College, Lehman  
11 College and Bronx Community College would not be able  
12 to do an apples-to-apples comparison of the data.  
13 Monroe College has some of the highest graduation  
14 rates in the City of New York for the student  
15 populations we served. This proposal would mask our  
16 actual outcomes, student should be able to compare  
17 similar information about programs and be warned if  
18 the outcomes are actually weak. We also agree with  
19 DCA that students should have a reasonable expectation  
20 to graduate from college. We particularly applaud  
21 your focus on, on time graduation, but we are unsure  
22 if DCA is aware of how weak outcomes are across the  
23 entire City of New York. In fact, on-time graduation  
24 rates for full-time students who attend two year  
25 public institutions in New York City is 5.5 percent.

1 I'm going to say that again, it is a 5.5 percent  
2 graduation rate. New York City can do better. There  
3 are also 13 colleges with on-time graduation rates  
4 below 10 percent in New York City and not one of them  
5 is a for-profit institution. We firmly believe  
6 accountability should be applied to all institutions.  
7 The proposal also includes a provi-, provision that  
8 will harm students because it limits contacts. We  
9 pro-, we really believe first generation students and  
10 especially veterans need contact, they need support  
11 and we believe this proposal will have an opposite  
12 effect. Thank you so much.

13 H.O. ORTIS: Thank you for your comments.  
14 Can I please call Charles Callahan.

15 MR. CHARLES CALLAHAN: Good morning. My  
16 name is Charles Callahan. I am the Chief Operating  
17 Officer of Plaza College. I hold degrees in  
18 accounting and finance, an MBA as well as a CPA. I  
19 have been with the college for over 10 years in  
20 various roles throughout the administration. During  
21 my testimony at the first public hearing on this  
22 purposed regulation in April, I spoke on behalf of  
23 Plaza's founding family, about who Plaza College is,  
24 why we are so proud of our students and faculty and  
25 why we so strongly oppose these regulations. I'm here

1 today to reemphasize all of these elements and provide  
2 further clarity on why these regulations as proposed  
3 have the capacity to do far more harm than good.  
4 Plaza is a four year baccalaureate level college  
5 accredited by the Middle States Commission on higher  
6 education. We have four highly specialized  
7 programmatic accreditations. Most recently, our  
8 dental hygiene program was granted accreditation by  
9 the American Dental Association. Earning ADA  
10 certification illustrates the high quality of the  
11 educational programs that we offer. Plaza is truly a  
12 mission driven institution connecting students to  
13 careers in their chosen professions. That mission  
14 carries with it the fiduciary responsibility that we  
15 counsel students, often and provide them with clear  
16 and correct information. For instance, the college  
17 has court reporting program. Our admissions  
18 department requires all new students to attend the  
19 college's free four week introductory course to ensure  
20 the students have the manual dexterity sans drive and  
21 lasting interest in the profession to succeed. If  
22 they do, they -- we frankly do this because it's a  
23 really difficult program and not for everyone. Should  
24 the proposed regulation be enacted, we would be  
25 prohibited from referring to our admissions department

1 as anything but sales people. Sales people don't  
2 generally turn down customers. However, we counsel  
3 many students out of enrolling in our programs as, as  
4 well as advocating for those who can to proceed. We  
5 are also very proud of our dental hygiene program.  
6 It's a privilege to operate the only low cost dental  
7 hygiene clinic in the borough of Queens, the clinic  
8 sees between 1500 and 2500 patients per semester.  
9 Most patients don't pay anything for the services they  
10 receive and of course, acceptance to the dental  
11 hygiene program as a student is extremely competitive.  
12 It requires no fewer than five visits to the campus  
13 prior to enrollment. I bring this up because this  
14 proposed regulation would impose a counterproductive  
15 requirement that colleges not call students more than  
16 twice in the seven day period. Not only would this  
17 create massive confusion for our process, it would  
18 leave students without the necessary support that it  
19 would be necessary to make and counsel these jobs,  
20 these students throughout their process. To reiterate  
21 and to close, we oppose these regulations as they will  
22 harm the very students that they are intended to  
23 protect which are of course the students that we so  
24 proudly serve. Thank you.

25 H.O. ORTIS: Thank you for your comments.

1 MR. CALLAHAN: Yeah.

2 H.O. ORTIS: David Rhodes. Good morning.

3 MR. DAVID RHODES: Good morning. My name is  
4 David Rhodes. I am the President of the School of  
5 Visual Arts, a proprietary college located in  
6 Manhattan offering 11 undergraduate and 22 graduate  
7 programs all registered by the State Education  
8 Department. SVA will celebrate its 75th anniversary  
9 in 2022 and is the vibrant part of New York City's Art  
10 and Design communities. I serve as the Vice-Chair of  
11 the New York State Board of Regions Advisory Council  
12 for institutional accreditation and served as a  
13 Commissioner for the Middle States Commission on  
14 Higher Education for nine years. In all my years of  
15 educational leadership and oversight, I have never  
16 seen a proposal quite like this one by New York -- NYC  
17 Department of Consumer Affairs, except for its  
18 previous effort. This rule is not only flawed, it is  
19 irrational, arbitrary and capricious. DCA clearly  
20 lacks the experience to set stands for academic  
21 institutions. For example, DCA proposes a definition  
22 of placement that define success as working 32 hours  
23 per week in a job related to the alumnus' field of  
24 study. This proposal would turn otherwise successful  
25 graduates into failures. By way of example, the SVA

1 photo alumnus who was a producer on the Oscar winning  
2 film The Grand Hotel Budapest would not be counted as  
3 successful by DCA's proposed regulations because he is  
4 not employed to make photographs. Similarly, a recent  
5 advertizing graduate employed by Google to create  
6 murals would not be counted as successful because she  
7 is not employed by an advertizing agency.

8 Additionally, students who enroll in graduate school  
9 or receive Fulbright Fellowships or other post  
10 baccalaureate awards are counted by this regulation as  
11 failures. DCA not only clearly lacks the experience -  
12 - expertise to set standards for academic  
13 institutions, the very premise of this proposed rule  
14 is demonstratively false. The stated basis for the  
15 regulation includes its suggestion that my college is  
16 operating without approval from New York State  
17 Education Department, that it is unregulated, that its  
18 accreditation is unrecognized and that SVA's officials  
19 engage in deceitful behavior towards students and  
20 prospective students. There is no evidence for these  
21 defamatory allegations in the proposed regulation.

22 The motivation for this regulation would appear to be  
23 animus against proprietary higher education. If DCA  
24 wants to protect New York City students as it claims,  
25 it should focus on helping the state closed down the

1 schools that operate illegally and that prey upon New  
2 Yorkers. DCA should leave the regulations of  
3 institutions like the SVA to the appropriate state,  
4 federal and accrediting bodies. Thank you.

5 H.O. ORTIS: Thank you for your comments.  
6 Christina Craig.

7 MS. CHRISTINA CRAIG: Good morning.

8 H.O. ORTIS: Morning.

9 MR. RHODES: Good morning.

10 MR. CALLAHAN: Good morning.

11 MS. CRAIG: Hello, my name is Christina  
12 Craig and I am a Health Services Management major at  
13 Berkeley College. Since my first semester of  
14 attending Berkeley College in September of 2017, all  
15 the staff including President Smith have helped me to  
16 grow into the empowered leader that I am today. The  
17 New York City Department of Consumer Affairs, DCA's  
18 Proposed Rules to Prohibit Deceptive Trade Practices  
19 by Certain for-profit Schools are unwanted -- are  
20 unwarranted. All colleges and universities enroll and  
21 admit students who are seeking to earn a college  
22 degree. I don't understand why the DCA is singling  
23 out colleges like Berkeley, which is an accredited  
24 degree granting institution from other colleges.  
25 Berkeley has provided me with excellent academic

1 advisement, counseling and employment assistance in my  
2 journey to a college education. The staff from  
3 Student Development and Campus Life have always  
4 reached out to me regarding events that are happening  
5 on and off campus. To compliment my learning  
6 experience, I have participated in the leadership  
7 summits, volunteer activities such as supporting  
8 homeless shelters and children in hospitals. Because  
9 of this focus on community service and volunteerism, I  
10 have had the opportunity to be part of the Breast  
11 Cancer Walk, the Domestic Violence Awareness Walk and  
12 the American Heart Association Walk with other members  
13 of the college. I have had the privilege of going to  
14 Puerto Rico to be part of the rebuilding effort for  
15 the people who were hit hard by Hurricane Maria. Each  
16 of these events have allowed me to make a difference;  
17 build my network and become confident in my ability to  
18 lead. I am a member of the National Society of  
19 Leadership and Success, Sigma Alpha Beta and Alpha  
20 Sigma Lambda. The center for academic success and  
21 professors have supported and encouraged me to work  
22 hard to achieve these honors. As President of the  
23 Help Services Administration Club for more than a  
24 year, I have built a strong rapport with my peers on  
25 campus. Knowing most of the students has helped me as

1 an office assistant for the Career Services  
2 Department. I assist fellow students to prepare their  
3 resumes and with other career related tasks as needed.  
4 I am at this hearing today as a testimony -- testament  
5 of the dedication and support Berkeley College  
6 provides to me and many other students. Please treat  
7 Berkeley College in the same manner as all colleges  
8 and universities in the New York Ci-, in New York City  
9 which education --

10 H.O. ORTIS: It's time.

11 MS. CRAIG: -- like Berkeley are accredited  
12 by the Middle States Commission of Higher Education  
13 and regulated by the US Department of Education and  
14 New State Education. Thank you.

15 H.O. ORTIS: It's time, please. Thank you.  
16 Can I please call Jeffrey Meija.

17 MR. JEFFREY MEIJA: Good, good morning all.  
18 My name is Jeff Meija. I'm here today to testify for  
19 Berkeley College. I am an alumni from Berkeley.  
20 Started going to the school in 2013 and had a chance  
21 to graduate on my Bachelor's in Business Management in  
22 2017. I'm also a part of the bachelor team which  
23 President Michael Smith is very supportive of and I'm  
24 also right now getting my MBA online at Berkeley  
25 College. I started going to the institution in 2013

1 as a young 17 year old boy, didn't really have a  
2 direction in my life on where I was going. And the  
3 facul-, the faculty to name Angela Harrington,  
4 President Smith again, Will Moria [phonetic], Coach  
5 Christenson [phonetic] were very genuine and  
6 interested in my development as a professional and as  
7 a human being. And that's something that I am super  
8 grateful for and I can't thank you all enough. Excuse  
9 me. So, that being said, I do feel, genuinely feel  
10 that Berkeley provided me with the tools and guidance  
11 to be a pers-, professional and the financial  
12 [unintelligible] [00:17:40] department was super  
13 helpful in really finding and providing the financial  
14 guidance for me to be successful. And again, I don't,  
15 I don't believe as Christina said that the DCA is  
16 being fair with Berkeley College, it shouldn't be  
17 treated as all of the other institutions in the State  
18 as everyone has said here. And again, Berkeley  
19 College is a, is accredited school and is also  
20 regulated by the US Department of Education and New  
21 York City has a regulatory structure that's not like  
22 any other. I have been learning a lot myself through  
23 this process and I think it's very interesting.  
24 Really believe that there should be another way to  
25 prevent these deceptive trade practices. It should

1 have go across all colleges, not only private, for-  
2 profit institutions and we should just find another  
3 way to do that. I'm a proud Berkeley College student  
4 and I will always support the school and I am a  
5 Berkeley knight for life. Thank you.

6 H.O. ORTIS: Thank you for your testimony.

7 MR. MEIJA: Yeah.

8 H.O. ORTIS: Christopher Barto.

9 MR. CHRISTOPHER BARTO: Thank you. Good  
10 morning. My name is Christopher Barto. And I am the  
11 Vice President of Government Relations and Community  
12 Affairs at LIM College where I have worked for over 15  
13 years. Thank you for the opportunity to testify  
14 today. As with the first version of this proposal,  
15 the revised rules prescribe definitions, matrix and  
16 practices for proprietary colleges that do nothing to  
17 benefit students and would in fact harm students by  
18 recalling -- requiring colleges to publish conflicting  
19 and meaningless data in direct contravention of  
20 federal and states standards. Further, DCA stated  
21 basis for these rules is that proprietary colleges are  
22 unregulated and therefore are likely engaging in  
23 deceitful behavior to the detriment of their students.  
24 Yet DCA itself is making a misleading statement by its  
25 very suggestion that proprietary colleges are "neither

1 licensed by the New York State Education Department  
2 nor accredited by the New State Board of Regions." In  
3 making the statement, DCA neglects to mention their  
4 licensure by the State Education Department is not the  
5 mechanism by which degree granting colleges in New  
6 York are even authorized to operate. DCA also  
7 neglects to mention that accreditation by the Board of  
8 Regions is neither a state or federal requirement. In  
9 fact, the region service, the federally recognized  
10 creditor for only 12 out of the 255 New York degree  
11 granting institutions. LIM College and its founders,  
12 the Marquez [phonetic] family have played a  
13 significant role in the development of fashion  
14 business and experiential education over the past 80  
15 years. While the college has grown in size and  
16 evolved educationally, our original mission to educate  
17 students through a practical hands-on curriculum and  
18 consistent exposure to the fashion industry has  
19 remained unaltered since our founding in 1939. Today,  
20 LIM College educates approximately 1800 students  
21 annually in eight undergraduate and four graduate  
22 programs of study. The college has become a  
23 recognized leader nationally and internationally in  
24 the business of fashion, drawing students from 43  
25 states and 37 countries. DCA's proposal unjustly

1 paints LIM College and other proprietary colleges as  
2 illegitimate institutions that cannot be trusted to  
3 publish truthful graduation and placement rates.  
4 Ironically, DCA's own proposal would require LIM to  
5 publish data that would inarguably be misleading and  
6 inaccurate. For example, DCA's definition of  
7 placement is flawed as it only contemplates obtaining  
8 full-time and non-temporary work in the field of  
9 study. Further, DCA's prescribed definition of  
10 placement rate completely ignores and invalidates the  
11 work performed by graduates who pursue part time work  
12 or work under freelance or gig based contracts. The  
13 DCA matrix is so narrowly constructed and qualified  
14 that it would force LIM College to advertize a  
15 placement rate that is less than a third of its actual  
16 employment rate. Make no mistake, LIM is incredibly  
17 proud of its graduate placement rate. Among the  
18 under-, undergraduate class of 2018, 93 percent of  
19 graduates seeking employment secured positions  
20 throughout the fashion industry with 94 percent of  
21 these employed within six months of graduation. In  
22 conclusion, DCA lacks both the authority and  
23 understanding needed to regulate colleges and  
24 universities in New York. Accordingly, I urge DCA to  
25 retract --

1 H.O. ORTIS: It's time.

2 MR. BARTO: -- this proposal and instead  
3 explore ways to better serve students through  
4 partnership with the State Education Department.  
5 Thank you so much.

6 H.O. ORTIS: Thank you for your comments.  
7 Johnson Tyler.

8 MR. JOHNSON TYLER: Good morning. My name  
9 is Johnson Tyler. I am an attorney of legal services  
10 in Brooklyn. I help lots of people with student loan  
11 problems. I have helped people in [unintelligible]  
12 [00:22:35] Columbia, journalism school. I have helped  
13 people to go into Notre Dame. I have helped people to  
14 go to a lot of for-profits schools. And what I see  
15 over and over again with the for-profit students is  
16 largely, they do not have any skills and they have a  
17 large amount of debt and they are having problems  
18 repaying the debt. So, I applaud the DCA. We're  
19 trying to take some measures to protect New Yorkers.  
20 The CUNY schools are a huge value. They are very  
21 cheap. Most students going to CUNY school because  
22 they are poor, don't even have to pay for the  
23 education they get and they get a good return on it.  
24 I applaud the DCA for trying to create disclosure  
25 requirements that will steer people or think twice

1 about whether to go to the school like  
2 [unintelligible] [00:23:18] or ASA College, schools  
3 that I often see students with who have very few  
4 skills. However, I do think the disclosure  
5 requirements are easily gained. It's very hard to say  
6 what the employment rate is within your field. For  
7 example, and I was doing research in preparation for  
8 my hearing today, this hearing today, I found this one  
9 school Woodcobin [phonetic] which I'm not that  
10 familiar with, it's a fashion school, they went out of  
11 business. I didn't know that. It was hard to find  
12 that out. They went out of business. And their web  
13 on -- the Wikipedia website that they created, they  
14 said they have a 97 percent placement rate. How is  
15 anyone going to figure out if that's correct? So, I  
16 would suggest the government -- that the DCA use  
17 matrix that are accurate. These are by the federal  
18 govern -- these are report on the college scorecard by  
19 the Federal Government. Essentially, what the Federal  
20 Government does is they take your earnings from your  
21 social security statement and they apply that to your  
22 FAFSA application and they create all this data  
23 regarding what your return is on your investment for  
24 taking out loans. So, they took that, you could find  
25 out how a school is scored. So, I would suggest that

1 schools be required to say what percentage of their  
2 students are earning more than a high school diploma  
3 six years after enrolling in college. Right now, half  
4 the schools that would be regulated within New York  
5 City -- I'm sorry. Half the students who go to For-  
6 profits within New York City are earning less than a  
7 high school diploma six years after they touched out  
8 school. That's not a very good return on your  
9 investment, at CUNY more than half are doing that. In  
10 addition, debt burdens are very large. I would have  
11 the re-, there is a matrix that the Department of  
12 Education provides of what percentage of students are  
13 able to repay a dollar of their debt down when they  
14 are paying their loans. So, lots of people repay  
15 their loans but they are not even taking care of the  
16 interest and that debt is just growing overtime  
17 because their earnings are so low and their debt is so  
18 high. The for-profit schools do quite poorly in this  
19 matrix within New York City. Some of them do better,  
20 but that's part of what the disclosure would be. The  
21 last thing I would have the disclosure include would  
22 be, where are the tuition dollars going. Average for-  
23 profit school pays about 35 cents on the dollar of  
24 every tuition that goes in towards instruction.

25 H.O. ORTIS: It's time, sorry.

1 MR. TYLER: CUNY School is about \$3 because  
2 there is also a subsidy of every dollar that comes in.  
3 Thank you.

4 H.O. ORTIS: Thank you. Taela Dudley.  
5 Taela?

6 MS. TAECLA DUDLEY: Okay. Good morning,  
7 everyone. My name is Taela Dudley. I'm a Higher  
8 Education Policy Associate with the Century  
9 Foundation. We are a non-profit focusing on fostering  
10 opportunity at home and abroad. We have a higher  
11 education team that focuses on issues concerning  
12 college affordability, consumer protection and  
13 accountability. Thank you for this opportunity to  
14 provide testimony on the importance of the proposed  
15 rules to prohibit decep-, deceptive trade practices by  
16 certain for-profit schools. DCA's proposed rules are  
17 a critical step toward preventing and hopefully one  
18 day eradicating consumer harm inflicted on vulnerable  
19 students by predatory actors that are heavily  
20 concentrated within the for-profit sector. Some for-  
21 profit schools in New York are actually generating  
22 more defaults than degrees for their students and how  
23 can this be. For one thing, for-profit schools as a  
24 sector have a bad report card when it comes to helping  
25 students succeed. The majority of students who enroll

1 in these schools will default in 12 years. It is no  
2 surprise that in the last year alone, DCA received 169  
3 complaints against for-profit colleges. 113 of these  
4 concern misrepresentation and false advertizing. The  
5 sheer number of complaints alleging misrepresentation  
6 highlights the need for oversight that curve deceptive  
7 practices concentrated in the for-profit sector. An  
8 overwhelming number of these complaints, 112 to be  
9 exact, were against Berkeley College with 71  
10 concerning misrepresentation. There is a direct  
11 correlation between misrepresentation and poor student  
12 outcomes. Berkeley student outcomes were so poor that  
13 New York City sued the school in 2018 for deceptive  
14 and predatory lending and voracious greed. In a  
15 separate recent lawsuit, former admissions counselors  
16 "of Berkeley College alleged that each employee of  
17 Berkeley's admissions office was evaluated solely on  
18 the number of students they each successfully  
19 enrolled, an illegal practice which underscores DCA's  
20 findings that Berkeley recruiters would say anything  
21 that they thought a respective student wanted to hear  
22 to convince them to enroll regardless of the truth."  
23 The New York State Education Department currently  
24 provides no relief to students who are ripped off by  
25 the largest for-profit chains in New York. Through a

1 public records request, the Century Foundation has  
2 obtained all of the records for student complaints and  
3 reimbursement requests that have been processed by  
4 NYSED within the last three years. While we are still  
5 analyzing the thousands of pages of complaints that  
6 NYSED has processed, one thing is abundantly clear.  
7 New York is not providing students with enough help  
8 when they are defrauded by predatory for-profit  
9 schools. NYSED has only distributed \$200,000 in  
10 relief for all of the students who filed for relief in  
11 the past three years. That amount of money barely  
12 covers the sticker price for a four year degree for a  
13 single student at New York's most expensive for-profit  
14 schools. These rules are important step to ensuring  
15 that higher education remains a pathway to success and  
16 not a pipeline to debt and default. Thank you.

17 H.O. ORTIS: Thank you for your testimony.

18 Osvaldo Pena.

19 MR. OSVALDO PENA: Good morning. My name is  
20 Osvaldo Pena and I am a United States Army Veteran and  
21 a Business Management Major. This is my seventh  
22 semester at Berkeley College and I have not any issues  
23 with the school. But the New York City Department of  
24 Consumer Affairs says that it wants to protect  
25 students from illegal colleges that might deceive

1 students. That is not the case when it comes to  
2 Berkeley. When I first contacted someone at Berkeley,  
3 I was invited to come in and speak with a Veterans  
4 Administration Counselor. I started with a  
5 representative from the Office of Military and  
6 Veterans Affairs and she explained to me the process  
7 of signing up, how I had to take at least four classes  
8 to be considered full time to receive benefits. And  
9 how at every semester, I have to certify my enrolment  
10 and sign my billing agreement with student accounts to  
11 -- during my first semester at Berkeley, my tuition  
12 has not changed. The DCA says that some behaviors  
13 have been aggressive. I have not experienced any  
14 aggression in my seventh semesters at Berkeley. What  
15 people don't understand is when you go to college, you  
16 are treated as an adult. That means, as students, we  
17 have to be responsible, make sure we are constantly  
18 checking with our advisors, student accounts and so  
19 forth to make sure we are in good standing. I see  
20 students who don't really take being in college  
21 seriously. I am constantly checking my school e-mail  
22 to make sure I'm not missing any important information  
23 and I make sure I meet with my advisors every  
24 semester. While the DCA claims that these bad things  
25 are happening at some schools, I can truly say, I have

1 not any -- had any issues since my first day at  
2 Berkeley College. So, why is it that you are singling  
3 out proprietary schools and leaving the public sector  
4 and private non-profit-, non-profit colleges and  
5 universities out when we are all accredited and under  
6 the US Department of Education in the New York State  
7 Education Department? Why set out road blocks and  
8 obstacles that will only hurt consumers rather than  
9 help them? When I first got out of the military, I  
10 was 22. I went back home to Miami, Florida. I went  
11 to college. It was not working for me. I was  
12 unmotivated. I felt like the professors didn't really  
13 care. It was go to tutoring, they didn't have no time  
14 to listen. Berkeley College is the total opposite.  
15 It's warming, it's, it's welcoming since then, you  
16 know, if you ask the 22 year old me to come to a  
17 meeting or a hearing or so, I would have been like no.  
18 But now, Berkeley College has helped me grow not only  
19 as a person but as a professional. I am also part of  
20 the National Society of Leadership and Success. I'm  
21 the social events Chair on the eve-board. I am the IT  
22 coordinator for both the veterans club and the student  
23 veterans of America and I am also the work study for  
24 the Office of Military and Veterans Affairs. So, I  
25 appreciate your reconsidering these rules and

1 exempting Berkeley College and all degree granting  
2 for-profit colleges and university from these rules.  
3 Thank you.

4 H.O. ORTIS: Thank you for your comments.  
5 Jason Raditch. Good morning.

6 MR. JASON RADITCH: Good morning. Good  
7 morning, everyone. My name is Jason Raditch and I am  
8 privileged to attend this hearing today and speak in  
9 support of Berkeley College. I have been on active  
10 part of Berkeley College for the past 14 years. I  
11 first graduated from Berkeley College with an  
12 Associates of Science Degree in Information Systems  
13 Management in 2007. I'm currently enrolled at  
14 Berkeley College pursuing a Bachelor's of Business and  
15 Management and I'll be graduating in the fall of 2020.  
16 In my personal experience during this time, Berkeley  
17 College has not only provided me with an amazing  
18 education, but the school has also provided me with  
19 the tools and opportunities to build the necessary  
20 soft and hard skills required to be successful in both  
21 my professional and personal life. This professional  
22 success is evident based on my acquiring an internship  
23 at Sony Music Entertainment which I obtained with the  
24 assistance and guidance of the Career Service  
25 Counselors. This internship transformed into an

1 amazing 13 year career for me. The proposed DCA rule,  
2 there is nothing to protect students from Deceptive  
3 Trade Practices at for-profit institutions and in fact  
4 ultimately hurt students. All degree granting  
5 institutions are already regulated by the State of New  
6 York. The reality is, New York has a regulatory  
7 structure that is unlike any other state. For-profit  
8 degree granting colleges are regulated as educational  
9 institutions and not businesses which is why the same  
10 standards apply to CUNY, SUNY and not for-profit  
11 colleges. Thank you so much for your time.

12 H.O. ORTIS: Thank you for your testimony.  
13 Thank you. Nancy Robles-Guess.

14 MS. NANCY ROBLES-GUESS: Good morning.

15 H.O. ORTIS: Good morning.

16 MS. ROBLES-GUESS: My name is Nancy Robles-  
17 Guess. I am a Berkeley alum. I graduated with  
18 Associates Degree and a Bachelor's Degree in 2005. I  
19 am currently an Executive Vice President and  
20 Compliance Officer at the 38th Largest Bank on Finance  
21 Company, New York City. I am also in-charge of HR. I  
22 oversee 60 percent of our employees and I deal with  
23 operations in IT. So, by American standards, I'm  
24 successful. To that point, I'm also a Latina and I am  
25 also immigrant. And I grew up in a low income area,

1 single parent home and I am the first high school  
2 graduate and college graduate in my family. I'm  
3 currently in a doctorate program in my third year.  
4 And what I want to share is while I have been very  
5 successful, it's against all odds. And what I want to  
6 say is that, I commend Berkeley because Berkeley gave  
7 me the tools that unfortunately my parents were not  
8 equipped to give me. There has been studies that  
9 founded first generation graduate students take three  
10 to five years to find, to find opportunities or  
11 equivalent to their credentials, which means it takes  
12 us much longer. And people like me, women of color  
13 particularly, not only does it take as much longer to  
14 find opportunities, but we don't get equal pay. We  
15 don't have opportunities in leadership as other people  
16 do. Schools like Berkeley, they give us the tools,  
17 the individual attention, the extra support that our  
18 parents can't give us. My mother couldn't tell me  
19 what major to take in college that an internship would  
20 help me in my career in the long term but Berkeley  
21 did. Someone at Berkeley, not just someone, many  
22 people at Berkeley took, took the time to help me to  
23 find my way to identify opportunities, to identify  
24 classes and other leadership opportunities within the  
25 organization that helped me develop the skills that I

1 am currently using in my position. And I have been in  
2 my, my industry for 20 plus years. It took me a good  
3 16 years before I was paid equally for what the work  
4 that I was doing. So, what we are talking about these  
5 students, students that come from low income areas  
6 particularly people of color, it's not just the  
7 schools. The schools need to give us -- schools like  
8 Berkeley give us the individual support that we need  
9 because we just don't come with the skills. It's not  
10 lack of intellect and when I hear things like we're,  
11 we are being preyed upon, it's actually offensive  
12 because I'm not dumb because I'm poor. I am actually  
13 just don't have the tools coming in that other people  
14 who come from different demographics, different income  
15 have. So, what Berkeley did for me was transform my  
16 life, the life of my five children through which are  
17 one is a graduate, a college graduate and two of which  
18 are currently in graduate -- in graduate -- in school,  
19 in college and they changed --

20 H.O. ORTIS: That's time.

21 MS. ROBLES-GUESS: -- the whole trajectory  
22 of our lives. Okay. Thank you.

23 H.O. ORTIS: Thank you.

24 MS. ROBLES-GUESS: I could have said a lot  
25 more.

1 H.O. ORTIS: Michael Smith.  
2 MR. MICHAEL SMITH: Good morning.  
3 H.O. ORTIS: Good morning.  
4 MR. SMITH: Good morning. I am Michael  
5 Smith. I'm President of Berkeley College and I'm here  
6 on behalf of Berkeley College to state our opposition  
7 to the proposed language that's in, in the regulations  
8 as republished. Berkeley College has been educating  
9 students in New York City for 83 years. In the 2019-  
10 20 academic year, there are more than 1800 students in  
11 our Manhattan campus alone. And these are -- these  
12 represent military veteran and international students.  
13 At Berkeley College, as you have heard from our  
14 students, every student has a name, they have a family  
15 and they have a dream. And our students can  
16 contribute to the rich diversity of New York City.  
17 Many of our, you know, hundreds of our students are  
18 employed by New York City and many New York City  
19 agencies. So, we question the origin of the rules and  
20 the intentions of the DCA in proposing these at higher  
21 end regulations because it's clearly outside the  
22 domain of the DCA. And is the DCA truly looking to  
23 help consumers or are they looking to cause harm to  
24 the proprietary sector? There are 282,000 students in  
25 New York City approximately who do not go to

1 proprietary colleges. Don't they deserve the same  
2 protections that you are saying that other students  
3 need? SUNY and CUNY students do the same things that  
4 we do. They conduct advertising. They inform  
5 students across. They, they talk about student  
6 outcomes. Why aren't those college students include  
7 in, in the protections that you are offering here? If  
8 you honestly want to protect those students, then  
9 that's what you really should be doing. By targeting  
10 a narrow subset of colleges that are already regulated  
11 in the same manner as all the public and independent  
12 private colleges, the DCA is exhibiting behavior that  
13 appears to be biased. Berkeley College is accredited  
14 by the same agencies and as other institutions of  
15 higher education in this region, the Middle States  
16 Commission on Higher Education. It's really  
17 disconcerting that this New York City agency is  
18 attempting to assert the regulatory authority of the  
19 US Department of Education, the New York State  
20 Department -- New York State Department of Education,  
21 the New York State regions and middle states. Is the  
22 DCA boldly stating that each of these organizations,  
23 the US DOE, the New York State Ed, the regions and  
24 middle states are incompetent to evaluate and regulate  
25 institutions because they regulate accredited

1 institutions in New York City, just the same as they  
2 regu-, regulate us. The matrix that are being  
3 proposed here are not aligned with anything that's  
4 been proposed by the US Department of Education. This  
5 means, thousands of prospective students are going to  
6 be unable to make fair comparison of Berkeley and  
7 other proprietary institutions against other  
8 institutions that are out there. These matrix are not  
9 approved by the US Department of Education and you ask  
10 any college president in New York City and they will  
11 tell you the same exact thing. Today, there was quote  
12 in a politico from the DCA Commissioner Salas and she  
13 said, "For us, any student con-, any student  
14 considering any school should be asking the same  
15 questions." So, I ask you, was Commissioner Salas  
16 misquoted or do these regulations look in  
17 contradiction to exactly what she said today in the  
18 paper? It's the -- if the DCA's intention is to  
19 protect all students, then protect all students. We  
20 again, as I did in our April meeting, we invite Mayor  
21 de Blasio, DCA Commissioner Salas, any members of the  
22 New York City Commission, counsel, agencies to come  
23 and visit Berkeley College or any other proprietary  
24 school. Our doors are open any time for you to come  
25 in and see --

1 H.O. ORTIS: It's time.

2 MR. SMITH: -- exactly who we are, who our  
3 students are and exactly what we do. Thank you very  
4 much for the opportunity.

5 H.O. ORTIS: Thank you. Daniyel Bingham.  
6 Are you, are you reading his letter into the record?

7 MS. ANGELA HARRINGTON: Yes. I am going to  
8 -- I'm going to --

9 H.O. ORTIS: Can you just state your name  
10 for the record as well?

11 MS. HARRINGTON: Sure, sure.

12 H.O. ORTIS: Thank you.

13 MS. HARRINGTON: Daniyel is in class right  
14 now and he asked me to read this for him. I'm Angela  
15 Harrington, Vice President of Communications and  
16 External Relations at Berkeley College. And this  
17 letter is from Daniyel Bingham. Daniyel says, he is  
18 an undergraduate student at Berkeley College, majoring  
19 in Business Management. My career aspirations are to  
20 grow my small business into an organization that  
21 employs New Yorkers. I believe a college education is  
22 not a right as a US Citizen. It is a privilege and a  
23 student should have the freedom to choose which school  
24 they attend without adverse effect, consequence or  
25 outside influence from local state and government

1 regulation. Colleges are students' first opportunity  
2 in life to do their due diligence and visiting various  
3 college campuses to establish the ideal collegiate  
4 institution and environment that supports their  
5 educational and career endeavors. I chose Berkeley  
6 College because it places students' success at the  
7 forefront of their academic approach. The admissions  
8 counselor understood my needs as a veteran of war and  
9 ensured I made, I made use of the mental health  
10 support and counseling the school provides. This  
11 behavior is not salesmanship. There were Berkeley  
12 school officials who sought out scholarships in ways  
13 to reduce my overall tuition. Berkeley has a  
14 humanistic approach that ensures its students are  
15 taken care of in a manner that promotes prosperity and  
16 achievement. This includes offering tutoring six days  
17 a week, professors with open door policies, career  
18 readiness seminars and business attire and  
19 professional style workshops. Berkeley College's  
20 faculty does everything within their power to assist  
21 your career and educational goals. In closing, one of  
22 the things I have learned from studying business  
23 management at Berkeley College is that you can get  
24 historical data to reflect or support any opinion.  
25 Seemingly local and government officials have an

1 agenda that is not equitable to schools providing  
2 quality education to students. However, schools like  
3 Berkeley deserve equal treatment that applies to all  
4 collegiate institutions in the City and State of New  
5 York. Anything that persuades future students of  
6 anything less is purposely misleading.

7 H.O. ORTIS: Thank you. Panagiota  
8 Babadelis.

9 MS. HARRINGTON: Can you repeat that?

10 H.O. ORTIS: I'm sorry if her appearance is  
11 wrong. Panagiota Babadelis.

12 MS. HARRINGTON: Excuse me, Penny was not  
13 able to attend. She will submit a statement.

14 H.O. ORTIS: Great. Thank you. Will  
15 Hernandez, whenever you are good to go.

16 MR. WILL HERNANDEZ: Good morning,  
17 everybody.

18 MS. HARRINGTON: Good morning.

19 MR. HERNANDEZ: Hello and thank you for  
20 letting me come here this morning to speak to you. My  
21 name is Will Hernandez. I am a proud army veteran.  
22 And I am also a proud student of Monroe College. I  
23 respectfully ask you to rethink this proposal. While  
24 I respect the intentions to protect students, this  
25 proposal will actually hurt students like me

1 especially other veterans. My own college experience  
2 will -- would explain why I say that. I served my  
3 country for 15 and half years. Following my honorable  
4 discharge in 2012, I continue my public service in  
5 different avenues. I moved out west and became an, an  
6 EMT and a paramedic. After a while, being a New  
7 Yorker, I missed New York and I returned back home.  
8 Looking for a new career opportunity, I started  
9 looking at colleges around the New York, New Jersey  
10 area. I took my research really seriously and I did a  
11 lot of comparison and I went to different campuses. I  
12 visited a couple of local colleges, did not have a  
13 good experience. There seem to be no support and, and  
14 no available support for veterans specifically, who  
15 tend to come with many questions. We veterans, most  
16 of us are really prepared. So, when we go places, we  
17 have a lot of paperwork and, and we always ask  
18 questions. Especially, when it comes to the GI Bill,  
19 it's a very complicated process. They did not help me  
20 at all and they couldn't help me with my military  
21 experience and help me apply it towards degrees and  
22 credits. I next went to a private college, and after  
23 telling the advisor, a little bit about myself and my  
24 desire for a career in IT, he gave me the best advice  
25 I have ever received in a long time. He said, you

1 should go to Monroe and that's what I did. From my  
2 first visit at Monroe, I knew Monroe was a right  
3 college for me. I have one person who worked with me  
4 every step of the application process. They helped me  
5 figure out which degree program I was going to, they  
6 helped me figure out my GI Bill status, they helped me  
7 figure out how to process my paperwork for my post  
8 9/11 GI Bill also. When deadlines were approaching,  
9 they were calling me and letting me know paperwork  
10 needs to fill out, paperwork needs to be submitted and  
11 things like that. So, my experience with Monroe  
12 College has been nothing but amazing. They have my  
13 back, they believed in me. It would be insulting to  
14 call my admissions advisor a salesperson. And to be  
15 clear, I did my homework on Monroe before applying  
16 anywhere else. And I did my homework on all the other  
17 colleges. I looked at the support for veteran  
18 programs and I looked at the graduation rates. I was  
19 able to compare Monroe College to other colleges. By  
20 forcing to publish a graduation rate different from  
21 the Bronx, from other Bronx colleges, you make it  
22 impossible to do so. I sit before you as a student  
23 veteran and the president of the Student Veteran  
24 Association at Monroe College. There are 238 of us  
25 and with one voice --

1 H.O. ORTIS: That's time, sir.

2 MR. HERNANDEZ: -- we ask you to reconsider  
3 this proposal. Thank you.

4 H.O. ORTIS: Thank you for your comments.  
5 Folks, again, you got to make sure that phones are on  
6 vibrate or turned off please. David Cohen.

7 MR. DAVID COHEN: Thank you.

8 H.O. ORTIS: No problem.

9 MR. COHEN: Thank you for the opportunity to  
10 provide testimony on behalf of the Association of  
11 Proprietary Colleges. My name is David Cohen and I am  
12 the APC Board of Trustees Chair and the President of  
13 Five Towns College. Like many APC schools, Five Towns  
14 is a family owned institution which has been proudly  
15 educating New Yorkers for decades. APC represents 12  
16 degree granting proprietary colleges, six of which are  
17 located in New York City. Every member of APC is  
18 fully committed to educational excellence, access and  
19 affordability. It may come as a surprise that some of  
20 our member colleges are in fact proprietary. The  
21 reason why is that because here in New York, unlike  
22 every other state and union, proprietary colleges are  
23 regulated as educational institutions and not as  
24 businesses. And thus, these schools are subject to  
25 the same standards as every other degree granting

1 college including SUNY, CUNY and NYU for example. New  
2 York is unique in this way. And it is the principle  
3 reason why our Board of Regions is the only board in  
4 all of the 50 states to be recognized by the US DOE as  
5 a regional accrediting agency, the only one. This  
6 means that in order to grant the degree in New York,  
7 every program offered by an APC college must be  
8 approved by NYSED and no degree granting school,  
9 proprietary or otherwise may legally operate here  
10 without meeting the region's rigorous rules and  
11 regulations. Unfortunately, APC is here again today  
12 because the proposed rules have New York's degree  
13 granting colleges seriously confused with proprietary  
14 institutions that operate in other states or with  
15 those operating here illegally. The illegal  
16 operations are a problem. For this reason, the New  
17 York Attorney General has entered into numerous  
18 actions and settlements with illegal operators. We  
19 support those actions. Those illegal schools do prey  
20 upon schools but they are not New York's regulated  
21 proprietary colleges which are already accountable to  
22 NYSED and the Attorney General's office. The reality  
23 is the proposed rules will only hurt quality schools  
24 by requiring that they publish information about  
25 graduation and job placement rates that cannot be

1 compared with any other college or university in the  
2 City of New York. This is because the data points,  
3 the rules mandate are inconsistent with our higher  
4 education data is actually collected and reported by  
5 both the New York State Education Department and the  
6 United States Department of Education. And also,  
7 because the rules would not require all degree  
8 granting schools to make the same disclosures for  
9 students to actually compare. Thus, the data is  
10 misleading to the exact students the DCA rules seek to  
11 protect. We also respectfully submit --

12 H.O. ORTIS: It's time.

13 MR. COHEN: -- the regulation of higher  
14 education is a sole providence of the New York State  
15 Education Department. Thank you.

16 H.O. ORTIS: Thank you. Thank you. Mark  
17 San Marino?

18 MR. MARK D. SAN MARINO: Good morning and  
19 thank you for the opportunity to provide comment on  
20 DCWP's proposed rules to prohibit deceptive trade  
21 practices. My name is Mark San Marino, Director of  
22 Government Relations at Divine [phonetic] College of  
23 New York. Divine is a degree granting higher  
24 education institution with over 1400 students and 7000  
25 alumni in New York. Founded in 1931, Divine has

1 permission to operate its academic programs from the  
2 Board of Regions. It's registered with the State  
3 Education Department and regulated by the New York  
4 State Higher Educational Services Corporation. Divine  
5 is originally accredited by the Higher Learning  
6 Commission, HLC and regulated by the US Department of  
7 Education. Divine College of New York supports  
8 efforts to protect students from deceptive trade  
9 practices. In 2016, Divine took a leadership role in  
10 this effort by voluntarily adopting accountability  
11 standards which we refer to collectively as our  
12 student commitments. One of our commitments is called  
13 Form Students Choice. We provide all perspective  
14 students with a disclosure containing key information  
15 about program performance such as total cost and  
16 completion rights. The second draft of DCWP's  
17 proposed rule is an improvement over the initial  
18 version but still needs significant refinements. For  
19 example, the revised proposed rule does not protect  
20 all students in New York City since it would not apply  
21 to public institutions, private non-profit  
22 institutions nor institutions that fail to register  
23 with the State Education Department. In addition,  
24 many components of the proposed rules are duplicative  
25 of existing Federal and State requirements. For

1 example, the New York State Department of Financial  
2 Services currently requires all New York institutions  
3 of higher education to disclose graduation rate,  
4 median borrowing and loan default rate. Many of these  
5 items are duplicated in the revised proposed rule but  
6 with different definitions. The similar but different  
7 data will confuse rather than inform consumers. If  
8 DCWP wishes to enumerate specific disclosure  
9 requirements so that it may levy fines for non-  
10 compliance, the disclosure should be based on  
11 established definitions and best practices. Our wri-,  
12 our written comments detail specific recommendations  
13 for ensuring the final rule achieved this. We would  
14 also like to acknowledge that there are many  
15 provisions we support without qualification, such as  
16 prohibiting false representation of student outcomes  
17 or the nature of the an academic program. However, it  
18 is regrettable that the proposed rule applies only to  
19 a small subset of institutions. All schools should be  
20 expected to operate with the highest standards of  
21 conduct. Recent events like the college admission  
22 scandal, sudden closure of struggling institutions,  
23 athletic academic fraud and sexual abuse illustrate  
24 the importance of strong oversight and transparency  
25 for all. Once again, we thank you for the opportunity

1 to testify today. We look forward to working with  
2 DCWP to ensure the final rule compliments rather than  
3 conflicts with the existing regulations and protects  
4 all New York City students. Thank you.

5 H.O. ORTIS: Thank you. Adam Karriem.

6 MR. ADAM KARRIEM: Thank you. How are you  
7 doing? My name is Adam Karriem. Little about me, I  
8 am the fourteenth child of 16 children. I am the  
9 first generation graduate in my family. So, that was  
10 a -- that's a big family but, but what I would like to  
11 say about Berkeley College is ever since the first day  
12 I went through the doors, everything was welcoming.  
13 There were no deceptive tactics to get me in there. I  
14 have been in classrooms the way I had as much as help  
15 as I needed. There were so many different activities  
16 I can be involved in to make me feel like I was, I was  
17 wanted there. Berkeley College has made me into a  
18 leader I am today. I am currently the President of  
19 the National Society of Leadership and Success. I  
20 have been in many programs where I've helped others do  
21 what they have to do, to get the motivation that they  
22 need to graduate. I have met with professors that  
23 they care generally about their students. They help  
24 them to take a tutor and if they didn't understand  
25 something, they would elaborate more. The classrooms

1 were not big and suffocated with students. So, you  
2 didn't feel like you were not being able to learn  
3 anything. I graduated the first time with Associates  
4 and Information Technology because how -- of how much  
5 Berkeley meant to me and how great they were to me, I  
6 continue going. They give me the inspiration to move  
7 forward and do more. I then obtained my Bachelor's in  
8 Business Administration and I love the school so much  
9 because it was so great to me and I felt that I could  
10 help others by being a presence. I am currently  
11 enrolled in the MBA program and that, that has been a  
12 wonder for me. There is so much, there is so much  
13 that I have learnt. There is so many skills and tools  
14 that I have got while being in Berkeley that helped me  
15 transition outside into the business world. I can  
16 actually apply these things for different fields of  
17 work that I would like to be in or I could venture  
18 into and it has been such a success. What I really  
19 feel that is, if you want to apply laws to Berkeley,  
20 you need to apply that to everyone because in the same  
21 breath I have friends and I have families that went to  
22 CUNY schools that have not succeeded. They have felt  
23 like the classrooms were not for them. It was over  
24 capacitated. It was -- no one showing them how to go  
25 about getting certain things and they had that. And

1 they are, they are fear -- they fear to come back but  
2 because I have done so much and I have -- I came a  
3 long way from having a big family, having no support  
4 to coming somewhere with the support from Berkeley  
5 College, I have become a role model to myself, my  
6 daughter and others and I pushed them forward all the  
7 time. And I suggest that, like I said, like I stated  
8 before, if you want to make laws, do it around the  
9 board. Don't just have laws specifying one group or  
10 individuals or one institute because now, you're  
11 stopping other people from succeeding and becoming  
12 great people. I've met great people that didn't know  
13 where they would be at if it wasn't for Berkeley  
14 College. And they put -- and they pushed forward.  
15 They have great careers. Currently right now, I'm a  
16 case manager, I love the job. I love helping people  
17 because Berkeley College gave me the tools to help  
18 others. Thank you.

19 H.O. ORTIS: Thank you for your testimony,  
20 Mr. Karriem. Folks, again, please if you can be  
21 respectful of your fellow folks that are testifying  
22 here. Let's turn off the cell phones or put them on  
23 vibrate. Andrew Lopez.

24 MR. ANDREW LOPEZ: Alright. Hi, my name is  
25 Andrew Lopez. I am a 2015 Bachelor graduate of

1 Berkeley College. And I was one of those students who  
2 was lied to. I, I walked straight through the door  
3 and somebody told me you know what, you can do  
4 anything that's possible and I was like I don't  
5 believe that, that's a lie. So, later on, throughout  
6 my career, you know, I mentored over 45 students. I  
7 show up to every graduation every year to make sure  
8 that those students graduate and walk across that  
9 stage. They didn't tell me that on the first day they  
10 lied to me. They also lied to me when they told me  
11 that you know what, you are going to meet people who  
12 are going to help you in your business career. I am  
13 now owner of two companies. I started one of those  
14 companies while I was in Berkeley College. They lied  
15 to me about that too. They didn't tell that -- they  
16 didn't put that in brochure. They also lied to me  
17 when they didn't tell me that you know what, there are  
18 going to be people there who are going to help me  
19 graduate. One of those persons is Ms. Dallas Reid  
20 that's sitting back there. They lied to me. They  
21 didn't tell me any of this stuff in the brochure. It  
22 wasn't there that they were going to open my eyes to  
23 opportunity that was going to help people get out of  
24 the ghetto. None of that is in the brochure. I've  
25 seen single mothers struggle to raise their children,

1 graduate from Berkeley College and go and do great  
2 things. I mentor a person currently who is a gang  
3 banger who is now getting a Master's degree because of  
4 Berkeley College. None of that is in the brochure. I  
5 was lied to. I'm sorry that I was lied to because  
6 guess what? I can't go around telling other people  
7 that stuff, they don't believe me. It's such a lie.  
8 And then I walked them into Berkeley College and  
9 they're like you know what, this works. There is a  
10 student currently now who is -- who came from a family  
11 on East 21st Street in Brooklyn, right. He was  
12 selling drugs. He is now a federal work study  
13 student. I lied to him too. I told him he could do  
14 it. He didn't believe me. He is now on his way of  
15 receive-, receiving a Bachelor's degree. So, I'm one  
16 of those guys who was lied to. I am one of those  
17 persons that when I tell people that Berkeley College  
18 changes lives, they don't believe until they walk  
19 through those doors. I'm a personal mentor of over  
20 eight current students at Berkeley College that I  
21 guarantee who had no idea that a Bachelor's degree was  
22 in their possession or in their future. I lied to  
23 them. So, please with these regulations, I hear you.  
24 Let's just tell the truth to everybody. Every college  
25 is not for everybody but it was for me and it was for

1           them. And it works.

2                   H.O. ORTIS: Thank you for your testimony.  
3 Nancy Ploeger. Are you reading the statements for --  
4 can you just state your name please?

5                   MS. KELLY DEPSEY: Mm-hmm. Good morning.  
6 My name is Kelly Depsey. I'm reading on behalf of  
7 Nancy Ploeger of the International Women's  
8 Entrepreneurial Challenge Foundation. As Executive  
9 Vice President and Secretary, I would like to state my  
10 opposition to the Deceptive Trade Practices by for-  
11 profit educational institutions proposed rules by the  
12 New York City Department of Consumer Affairs. One of  
13 the institutions which these proposed rules intend to  
14 target is Berkeley College, a school I have had the  
15 pleasure to work with over the years. The proposed  
16 rules set forth by the DCA to govern Berkeley College  
17 are inconsistent with the existing standards and  
18 practices applicable to other colleges. The way these  
19 rules are written by the DCA serves the sole purpose  
20 of attempting to shoehorn educational practices into  
21 the DCA's jurisdiction and would end up harming  
22 students. For example, as written in these rules, the  
23 DCA is attempting to classify admissions counselors as  
24 sales people in an effort to bring the activities of  
25 Berkeley College under the DCA's purview. The

1 proposed DCA rule does nothing to protect students  
2 from Deceptive Trade Practices at for-profit  
3 institutions. And in fact, ultimately hurts students.  
4 In fact, the motives of the DCA appear pure-, purely  
5 political and part of the anti for-profit college  
6 rhetoric that continues to be discussed at a national  
7 level. Education is not a retail transaction nor  
8 consumer good or service. And admissions counselors  
9 are not sales people. Sales people sell a product  
10 without regard for consequences whereas Berkeley  
11 College admissions counselors received training and  
12 possess intricate knowledge of admissions requirements  
13 and student ex-, expectations for academic  
14 achievement. To refer to admissions counselors as  
15 sales people is to downplay and crudely  
16 mischaracterize the critical role they serve in  
17 assisting students especially students from low income  
18 families and who are first generation college  
19 attendees. This mischaracteri-, mischaracterization  
20 is a contrite attempt to regulate an industry that is  
21 entirely outside the DCA's authority and expertise.  
22 Under New York State Law and in practice, Berkeley is  
23 not a business but a college. That means the New York  
24 State Education Departments, Office of College and  
25 University Evaluation, Office of Professions and

1 Office of Higher Education all have oversight of the  
2 institution. Accordingly, Berkeley must abide by all  
3 requirements related to granting ins-, granting  
4 degrees and ensuring quality of academic programs.  
5 Berkeley takes very seriously their role in preparing  
6 students for successful future. I have had the  
7 pleasure of speaking to Berkeley students and faculty  
8 at the institution's Annual Women Leadership Events.  
9 I am impressed by the determination of the students  
10 and the dedication of the faculty and staff to provide  
11 students with both the academic rigor and professional  
12 insight to launch their careers. I would urge DCA to  
13 visit the Berkeley College campus and speak with the  
14 faculty and students. I guarantee you will be  
15 impressed with the community that exists at Berkeley.  
16 Their student life and career office -- career service  
17 offerings are truly unmatched. Instead of directing  
18 its effort towards outstanding institutions like  
19 Berkeley College which has been operating for nearly  
20 90 years, the DCA's efforts would better be spent  
21 working with the New York State Education Department,  
22 the Attorney General and the Local District attorneys  
23 to improve mechanisms for cracking down on these  
24 illegal schools and hold them accountable for the  
25 damage --

1 H.O. ORTIS: It's time.

2 MS. PLOEGER: -- caused to New Yorkers.

3 Thank you.

4 H.O. ORTIS: Thank you. Jessica Walker.

5 [OFF MIC CONVERSATION]

6 H.O. ORTIS: Okay. Please state your name  
7 for the record.

8 MS. DALLAS REID: Good morning, everyone.  
9 My name is Dallas Reid. I am the Vice President of  
10 Student Development in Campus Life at Berkeley  
11 College. I am sharing with you a written statement  
12 written by the President and CEO of Manhattan Chamber  
13 of Commerce, Jessica Walker. I write to you on behalf  
14 of the members of the Manhattan Chamber of Commerce,  
15 an organization that drives broad economic prosperity  
16 by helping businesses of all sizes to succeed in New  
17 York. On behalf of our members, I urge the New York  
18 City Department of Consumer Affairs to reconsider and  
19 reject the proposed rules of deceptive advertizing by  
20 for-profit educational institutions. There is no  
21 question that Americans are more burdened by student  
22 loan debt than ever. But this crisis affects students  
23 from all types of colleges and universities. A  
24 solution cannot be achieved by singling out for-profit  
25 institutions and trying to run them out of town,

1 particularly when they serve a critical purpose in the  
2 City's vast educational landscape. Berkeley College  
3 with a campus in Manhattan has been extreme -- a  
4 strong civic partner, not just with the Manhattan  
5 chamber but organizations throughout New York City.  
6 They are part of the institutional fabric of our city,  
7 similar to the prestigious non-profits universities  
8 also called Manhattan home. Unlike their non-profit  
9 counterparts in higher education however, Berkeley  
10 College also pays property taxes to the City of New  
11 York. But that is the extent of how they are  
12 dissimilar. Berkeley College is accredited by the  
13 Middle States Commission on Higher Education. The  
14 same accreditation awarded to NYU, Colombia and even  
15 my alma mater Princeton University. I take issue with  
16 the premise and intent of these proposed rules because  
17 Berkeley is an institution for higher learning. Their  
18 admissions staffs are not sales people. Berkeley  
19 College has been engine of upper mobility for students  
20 for more than 80 years in New York City. They are  
21 proud to be among the top colleges in the nation  
22 ranking 9th of 158 colleges in New York State for  
23 helping graduates move up the income scale. I  
24 witnessed firsthand how seriously Berkeley Colleges  
25 takes graduation and career placement and assistance.

1 This is one of the reasons why they worked with our  
2 chamber and similar business groups throughout the  
3 City, to build relationships and place their hard  
4 working students in internships and job opportunities.  
5 The rules proposed by the New York City DCA are  
6 detrimental to more than 2500 undergraduate students  
7 at Berkeley College of New York City campuses and  
8 alumni, imply that their degrees they work so hard to  
9 attain are somehow not worth anything. Why is the DCA  
10 singling out a handful of institutions but does not  
11 propose the same rules to be applied to all colleges  
12 and universities? This is a terrible message to send.  
13 It would be an unfair use of regulatory 30 and frankly  
14 misleading to the public for DCA to govern colleges  
15 like businesses when no other New York State or  
16 federal regulators do so. In fact, DCA acknowledges  
17 it's -- in its report that its recommendations would  
18 require an action in conjunction with the New York  
19 State or the Federal Government. That is because NYC  
20 DCA cannot take these actions on its own as it is not  
21 empowered to regulate higher education and it should  
22 remain that way. On behalf of the members of the  
23 Manhattan Chamber of Commerce, I urge the New York  
24 City Department of Consumer Affairs to  
25 reconsider and reject these proposed rules. Thank you

1 so much for your consideration and your time.

2 H.O. ORTIS: Thank you. Rick Miranda.

3 MS. ANGELA HARRINGTON: I am Angela  
4 Harrington, Vice President of Communications and  
5 External Relations at Berkeley College, reading a  
6 letter that was submitted by Rick Miranda, CEO and  
7 President of the Brooklyn Hispanic Chamber of  
8 Commerce. I write this letter on behalf of the  
9 Brooklyn Hispanic Chamber of Commerce to express my  
10 concern regarding the Department of Consumer Affairs  
11 rules that unfairly target proprietary sector  
12 colleges. Our chamber collaborates with a number of  
13 colleges including Berkeley. I can speak to the  
14 quality and commitment of Berkeley College. Berkeley  
15 College plays a vital role in workforce development.  
16 It provides education to thousands of Latino and  
17 African-American students, many who are the first in  
18 their families to attend college. These students  
19 deserve the opportunity to advance their futures  
20 freely and unconditionally. Berkeley College's  
21 students have positive partnerships in our community.  
22 The College is an economic engine and serves as a work  
23 force pipeline. This pipeline is capable of  
24 identifying the needs and opportunities to work with  
25 organizations like the Brooklyn Hispanic Chamber of

1 Commerce. Rules of particular concern are the ones  
2 proposed by the DCA that seek to apply a standard of  
3 whether an institution knows or should know that a  
4 student will not or is unlikely to graduate and meet  
5 requirements for future employment. This proposed  
6 rule would be detrimental to the hard working students  
7 enrolled at proprietary sector institutions and the  
8 tens of thousands of alumni who work and help their  
9 families and our communities thrive. We know Berkeley  
10 College to be a trustworthy partner in the community.  
11 For Berkeley College to offer lifetime career  
12 assistance to graduates at no charge is a blessing to  
13 keep our community and workforce thriving. Access to  
14 flexible course scheduling and affordability to a  
15 quality career oriented college are important factors  
16 to students who are juggling work, school and care  
17 giving responsibilities. And they are often juggling  
18 these responsibilities at the same time. On behalf of  
19 the Brooklyn Hispanic Chamber of Commerce, I urge the  
20 DCA to reconsider these rules and explore how the  
21 agency can work more collaboratively with Berkeley  
22 College and all educational institutions that are  
23 helping New York residents succeed. Berkeley College  
24 has a good record of preparing students and graduates  
25 for success and for helping New Yorkers gain upward

1 economic mobility. We should strengthen our support  
2 of New York City's colleges regardless of sector for  
3 the good of all of New York residents and students.

4 H.O. ORTIS: Thank you. I would just note  
5 if anyone else is planning to testify, this is the  
6 last one I have here. So, there is more testimony  
7 cards over there. Kristina Hamilton.

8 MS. KRISTINA HAMILTON: Good morning,  
9 everyone. My name is Kristina Hamilton. I am the  
10 Manager of Government Relations at Adtalem Global  
11 Education. I appreciate the opportunity to testify  
12 today. Adtalem's purpose is to empower its students  
13 to achieve their goals, find success and make  
14 inspiring contributions to our global community. One  
15 of Adtalem's institutions is Chamberlain University.  
16 We had more than 1500 students from New York City  
17 enrolled in our online nursing degree and certificate  
18 programs in the most recent academic year. With a  
19 projected nursing shortage in this state of more than  
20 23,000 nurses by 2025, Chamberlain plays an important  
21 role in filling key nursing workforce shortage needs  
22 in the State with the dedication to quality.  
23 Chamberlain wholeheartedly supports the DCA's mission  
24 to ensure that for-profit schools are operating with  
25 the utmost ethical standards. Chamberlain is

1 committed to standards of best practice and  
2 transparent accountability matrix that enable us to  
3 best serve our students and graduates. Some examples  
4 of Chamberlain's dedication and our commitment to our  
5 students include providing a one page disclosure that  
6 includes information about program or institutional  
7 performance matrix such as total program cost, debt  
8 and default rates, completion and graduation rates and  
9 earnings and licensure data. We also provide students  
10 access to an online tool called Manage My Loans that  
11 gives them ongoing visibility into overall prog-,  
12 progression -- program progression, outstanding loan  
13 balance including estimated repayment obligations,  
14 financial position as compared to academic progress  
15 and credits required to graduate. We support the  
16 DCA's efforts to protect consumers and provide  
17 meaningful disclosures. Our submitted written  
18 comments provide de-, detailed recommendations  
19 regarding changes to the proposed rule language that  
20 will eliminate duplication with the existing policy  
21 and prevent confusion while still ensuring that we  
22 achieve optimal student experience and outcomes.  
23 Thank you.

24 H.O. ORTIS: Thank you. Is anyone else  
25 planning to testify today? Seeing that no one is

1 present to offer testimony, I shall adjourn this  
2 hearing. Thank you everyone for attending.

3 MR. CALLAHAN: Thank you.

4 MS. HARRINGTON: Thank you.

CERTIFICATE OF ACCURACY

I, Ryan Manaloto, certify that the foregoing transcript of Public Hearing on Proposed Rules to Prohibit Deceptive Trade Practices by Certain For-profits Schools on October 17, 2019 was prepared using the required transcription equipment and is a true and accurate record of the proceedings.

Certified By



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