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Appropriations Committee

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Oversight Subcommittee on Personnel THE MARYLAND HOUSE OF DELEGATES ANNAPOLIS, MARYLAND 21401

February 4th, 2020

HB 593 Higher Education - Annual Revenues of For-Profit Institutions - Limitation on **Enrollment (Veterans' Education Protection Act)**

Honorable Chair McIntosh, Vice Chair Jackson, and Members of the Committee:

I am happy to introduce to you House Bill 593 The Veterans' Education Protection Act. This bill closes a loophole in current statute regarding the 90/10 rule. This rule states that a for-profit school can have no more than 90% of its revenues from the Title IV federal student aid programs. The loophole allows for-profit institutions to count GI Bill educational benefits as private dollars. This encourages businesses in the for-profit education sector to aggressively target veterans for enrollment.

For-profit colleges should not be funded solely by federal taxpayers, and federal taxpayers should not be propping up low-quality schools and the 90/10 rule is crucial to ensuring educational integrity. If a college offers a quality education at a competitive price, someone other than the federal government will be willing to pay for attendance at the school.

Maryland has the opportunity to lead the nation by standing up for veterans, taxpayers, and economically disadvantaged children simply by requiring for-profit education businesses to abide by the original intention of the 90/10 rule – that they prove themselves viable in the private market.

Thank you for your time and consideration of HB 593.

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Pat Young, 44B