

**Testimony to the House Appropriations Committee**  
**HB 593 : Higher Education - Annual Revenues of For-Profit Institutions - Limitation on**  
**Enrollment**  
**(Veterans' Education Protection Act)**  
**Position: Favorable**

February 4, 2020

The Honorable Maggie McIntosh, Chair  
House Appropriations Committee  
Room 121, HOB  
Annapolis, MD 21401  
cc: Members, Appropriations Committee

Honorable Chair McIntosh and Members of the Committee:

We the undersigned organizations are writing to ask you to support HB 593, which would protect Maryland veterans to clarify that 10% of a for-profit college's revenue cannot come from any federal funds.

HB 593 will close a federal loophole that allows for-profit colleges to receive 100% of their revenue from federal funds. This loophole allows the last 10% of funding to be comprised of dollars the government offers to veterans, service members, and foster youth to use for higher education.

Many for-profit schools exploit this loophole to recruit and enroll veterans and foster youth to receive this additional government funding. As a result, some for-profit colleges may receive 100% of their funding from the government. As a mark of quality and safety, for-profit colleges must receive a small percentage of their funding from a source outside of the government. Yet, bad actors continue to exploit this loophole and prey on veterans and former foster youth.

HB 593 helps protect Maryland students, veterans, foster youth, and taxpayers by closing the loophole that enables the exploitation of veterans and foster youth.

It's time to protect our veterans and foster youth— in addition to Maryland taxpayers – from high-cost, low-return for-profit colleges and private career schools. For these reasons, we support HB 593 and ask for a favorable report.

Sincerely,

Maryland Consumer Rights Coalition (MCRC)  
Youth Empowered Society - YES Drop-In Center  
Consumer Credit Counseling Service of Maryland and Delaware, Inc. (CCCSMD)  
CASH Campaign