



A Union of Professionals
AFT-Maryland

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**Written Testimony submitted on
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The Maryland House Appropriations Committee
HB 593 - Higher Education - Annual Revenues of For-Profit Institutions - Limitation on
Enrollment (Veterans' Education Protection Act)**

SUPPORT

Chair McIntosh and members of the committee. On behalf of the 20,000 members of the American Federation of Teachers – Maryland (AFT-Maryland), we ask for a favorable report on HB 593 - Higher Education - Annual Revenues of For-Profit Institutions - Limitation on Enrollment (Veterans' Education Protection Act).

AFT-Maryland supports our members' who have and are striving for undergraduate and graduate degrees. This includes many veterans. We support SB 249 which will change current Maryland law by clarifying that ten percent of a for-profit college's revenue cannot come from any federal funds.

The for-profit school industry targets low-income and veterans using aggressive tactics because these populations have the greatest access to the federal funds. In 1992, with bipartisan support, the federal government created an 85/15 rule to protect students, which said that a for-profit school could use federal student loans to fund up to 85% of their institution. Since then, the rule has been changed by the federal government to a 90-10 rule, which includes a loophole that allows the last 10% of funding to be comprised of dollars the government offers to veterans and their families to use for higher education. This bill helps to protect Maryland students and taxpayers by closing the loophole that enabled the exploitation of veterans.

A strong rule is crucial to educational integrity because for-profit colleges should not be funded solely by federal taxpayers, and federal taxpayers should not be responsible for keeping failing for-profit schools open. The for-profit school industry's poor behavior in Maryland demonstrates the need for clear laws in place to ensure that students and taxpayers are protected.

Therefore, we ask a favorable report on HB 593.

Marietta English
President