

MEDIA CONTACTS:
PRESS@OAG.STATE.MD.US
410-576-7009

PRESS RELEASE

Attorney General Frosh Leads 20-State Coalition Urging U.S. House Committees to Protect Student Veterans from Exploitation by For-Profit Schools

BALTIMORE, MD (April 24, 2019) – Maryland Attorney General Brian E. Frosh, along with 19 other state attorneys general, today submitted a <u>statement</u> for consideration during a joint field hearing of the U.S. House Education and Labor and Veterans Affairs Committees scheduled for this afternoon at 1:30 p.m. EST (10:30 a.m. PST) in El Cajon, California.

The coalition's statement emphasizes concerns of the attorneys general that student veterans are disproportionality harmed by for-profit colleges and universities that violate state laws put in place to protect students and when these institutions convert to "non-profit" entities but retain business models that essentially keep profit-making arrangements in place.

The attorneys general argue that student veterans are at greater risk of being harmed due to loopholes in federal laws that entice for-profit schools to heavily market to veterans—often using high-pressure and deceptive sales tactics. As a result, veterans are disproportionally harmed when these schools violate consumer protection laws, offer low-quality or inadequate certificate and degree programs, or close abruptly leaving students burdened with heavy debt and low prospects for gainful employment.

"Attorneys General have seen repeated examples of fraud and abuse by certain for-profit schools. The actions by those for-profit institutions disproportionately impact our U.S. Military veterans and cause great harm. We urge the Committee members to give serious consideration to our experiences, and to make sure that students are protected when for-profit schools purport to convert to non-profit status," said Attorney General Frosh.

In their statement, the attorneys general also outline the multiple efforts they have undertaken to protect students and loan borrowers, including investigations and enforcement actions brought against several for-profit schools and opposing attempts by the U.S. Department of Education (ED) to dismantle federal regulations that guard against abuses by for-profit schools. The ED has also refused to help defrauded students obtain federal loan forgiveness, failed to institute protections for students of for-profit schools that abruptly close, and has limited sharing student loan information with attorneys general. The long-standing practice of information sharing has been vital to state efforts to protect consumers from illegal, unfair, abusive, or deceptive practices in the higher education industry.

In addition to Maryland, the letter is signed by the attorneys general of California, Colorado, Connecticut, Delaware, the District of Columbia, Hawaii, Illinois, Iowa, Maine, Massachusetts, Michigan, Minnesota, Nevada, New York, North Carolina, Pennsylvania, Oregon, Virginia, and Washington.