



The Honorable Paul Pinsky, Chair
Senate Education, Health, and Environmental Affairs Committee
Maryland General Assembly – Senate
Legislative Services Building
90 State Circle
Annapolis, MD 221401

**RE: For-Profit Institutions of Higher Education and Private Career Schools -
Instructional Spending - Requirements, SB445 [FAVORABLE]**

Dear Committee Members:

As an organization that advocates for higher education policies that improve higher education outcomes and provide a better return on investment for students and taxpayers, we write in support of your efforts to require for-profit institutions and private career schools to spend an appropriate amount of tuition and fee revenue on instruction.

A strong framework should judge institutions for the financial priorities they set and the choices they make in going beyond just admitting students but actually investing in their success.

The bill, *For-Profit Institutions of Higher Education and Private Career Schools - Instructional Spending – Requirements*, introduced by Senators Pinsky, Elfreth, Ellis, Kagan, Lam, Sydnor, Washington, and Young will strengthen requirements to encourage institutions to focus their resources on supporting the direct instruction of students. Currently, 40% of students who start college don't earn a degree and more than half owe more on their loans three years into repayment than when they left school. Many of these students attend for-profit institutions and certificate-granting programs where students consistently demonstrate the worst return on investment when it comes to setting their students up for success in the labor market. These outcomes are unacceptable and greater transparency on instructional spending will help consumers and taxpayers better hold institutions accountable for the financial priorities they set and the choices they make in going beyond just admitting students but actually investing in their success.

Requiring for-profit institutions and private career schools to spend 50% or more on instruction sends a clear message that Maryland will no longer tolerate institutions who are not committed to providing students with adequate on-campus instructional supports. We fully support the effort to pass a strong instructional spending requirement in Maryland and look forward to its enactment which will take a major step towards protecting both students and taxpayers from institutions who are not committed to the instruction or success of their students.

Signed,

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