

# FOR-PROFIT EDUCATIONAL INSTITUTIONS TARGET RE-ENTRY INDIVIDUALS

PROMOTE UNDERTAKING OF STUDENT LOANS THAT MAY NOT BE BENEFICIAL TO THE INDIVIDUAL

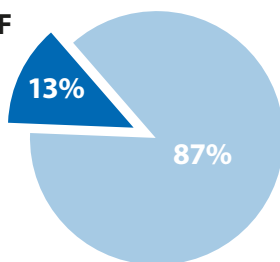
The for-profit education system is a major contributor to the current \$1 trillion student debt crisis. For-profit education institutions include 13 percent of U.S. college students, and yet a **disproportionate percent of all student loan defaults—47 percent**. For re-entry populations, rebuilding their earning capacity through higher education is particularly alluring and the state and city's public university system is a free and accessible method to accomplish this.

**\$33 trillion annual profit by the for-profit education system**

Student loan debt now exceeds **\$1 trillion!**

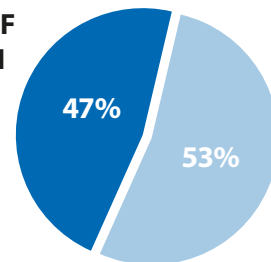
PERCENTAGE OF ALL STUDENTS

● Nonprofit  
● Profit



PERCENTAGE OF STUDENT LOAN DEFAULTS

● Nonprofit  
● Profit



Yet, re-entry organizations have noticed a troubling trend and practice that for-profit institutions use to recruit new students. They report seeing and hearing from their populations that representatives make regular visits to prisons for re-entering populations to apply to their schools. This “pipeline” can include assistance with completing the Free Application for Federal Student Aid (FAFSA) that makes these schools seemingly affordable in short-term but puts them at risk for future student loan distress. Re-entry populations may not be able to evaluate their future ability to pay off these loans, and even worse, may be entering schools where they may earn certificates in fields that have strict provision about hiring individuals with prison records.

## RECOMMENDATIONS

- Highlight the practice on for-profit education institutions visiting prison populations; and
- Encourage and broaden education access to public universities through greater advertising campaigns in prison (i.e. New York City’s “Know Before You Enroll”).



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