



June 17, 2024

Stephanie Valentine
Office of Planning, Evaluation, and Policy Development
United States Department of Education
400 Maryland Avenue, SW
Washington, DC 20024

Re: Docket ID ED–2024–SCC–0030

Dear Ms. Valentine,

Thank you for the opportunity to comment on Financial Value Transparency and Gainful Employment Reporting Requirements (Docket ID ED–2024–SCC–0030), as presented in the Federal Register on May 17, 2024. The Institute for College Access & Success (TICAS) is a nonprofit, nonpartisan organization working to advance affordability, accountability, and equity in higher education. Both organizationally and in collaboration with a diverse set of partners, TICAS has long advocated for stronger student and borrower protections in the form of institutional accountability measures, including the gainful employment rule.

The gainful employment regulations and financial value transparency framework are the result of an extensive negotiated rulemaking and public comment process and reflect the Department’s commitment to students and taxpayers. The Department has a fundamental interest in ensuring the quality of career education programs and student experiences, as well as the integrity of Title IV financial aid programs.

Gainful employment regulations provide a critical baseline of protections for all students pursuing career education, and especially for students disproportionately targeted by predatory institutions. The gainful employment rule would help ensure that students are not left worse off because they pursued postsecondary education. The rule should protect them from career programs that do not produce earnings commensurate with a high school graduate or that do produce outsized debts relative to their earnings gains. They further ensure that taxpayers’ dollars are better targeted toward more effective programs.

This measure should be seen as part of a larger racial equity agenda. We have seen – too often and for too long – how low-quality and predatory programs target Black and Latino students, drive up debts, and provide credentials of little to no value. Nine out of 10 Black and Latino students who graduated in 2015-16 from a for-profit undergraduate degree program borrowed, and they borrowed at least

\$10,000 more, on average, than those attending public colleges.¹ Federal data from 2019 revealed both that students attending for-profit colleges had the worst default rates across all institution types and that Black for-profit students were more likely to default. One-third of all borrowers defaulted within six years of starting at a private for-profit institution, including 42 percent of Black borrowers.²

In addition to implementing gainful employment regulations, the Department should move forward with timely implementation of the financial value transparency framework. Across degree levels and program types, the framework will be an important new tool for students and families as they make the crucial decision of where and whether to enroll in college. Data informing the framework will further help advance college choices and should inform institutional-level decision-making about program sustainability, quality, and resource allocation.

The Department has already delayed the deadline for reporting gainful employment and financial value transparency data to October 1, 2024. We supported this delay, but also joined partner organizations in calling on the Department not to consider further delays that would effectively withhold this important information from students and families any longer.³ We also have appreciated the announcements and resources that the Department has produced to support institutions as they prepare to meet reporting requirements. We look forward to the additional resources the Department will make available in advance of the revised reporting deadline.

To ensure students and taxpayers see a benefit from the Department's extensive efforts, we encourage the Department to maintain its current reporting timeline and to make data available to the public in January 2025. Without this rule, students lack any baseline protection that their postsecondary career programs will leave them better off, and taxpayers lack an accountability indicator for outcomes. Students enrolling in Fall 2025 deserve to have the best possible information on which to base their college enrollment decisions.

Thank you for the opportunity to provide these comments, as well as for your work to serve the interests of students and federal student loan borrowers. If you have any questions or need any further clarification on any of the above responses to the Department's request for comments, please contact Dr. Kyle Southern from our team at ksouthern@ticas.org.

Sincerely,

Sameer Gadkaree
President

¹ The Leadership Conference Education Fund. *Gainful Employment: A Civil Rights Perspective*. 2019. <https://bit.ly/3mzbcmw>.

² B. Miller. *The Continued Student Loan Crisis for Black Borrowers*. Center for American Progress. December 2, 2019. <https://ampr.gs/3FN43>.

³ Letter to Secretary Cardona dated April 2, 2024.