

May 9, 2019

Dominic Mancini, Acting Administrator  
Office of Information and Regulatory Affairs  
John Gray, Assistant Director  
Office of Education, Income Maintenance, and Labor  
Office of Management and Budget  
725 17th Street NW  
Washington, DC 20503

**Re: Gainful Employment Rule (RIN 1840-AD31)**

Dear Acting Administrator Mancini and Assistant Director Gray:

We are here this afternoon for one reason. We must implement a uniform set of outcome metrics for all programs at all postsecondary institutions as soon as possible. The lack of credible policy in this area has now dragged on for almost a decade. We can, and we must, put in place a policy that provides students with maximum outcome information for them to make the right decisions about their education. And by doing so, we will tell institutions that programs with poor outcome metrics should either be fixed or ended! It's that simple.

Career Education Colleges and Universities ("CECU") serves as the voice for our Nation's postsecondary career colleges and universities; most – but not all – of which are proprietary institutions, often multi-generation family owned schools. We are a membership association of over 600 accredited postsecondary institutions offering career-related programs and write to underscore support for the U.S. Department of Education's ("Department") Notice of Proposed Rulemaking ("NPRM") published in the Federal Register on August 14, 2018.

The journey to develop accountability measures has been complicated and controversial. It began in the early years of the Obama administration and continues today. We support the concept that all career-focused programs at all institutions should result in graduates obtaining jobs in their chosen field of study. But so far, no proposal has come even close to achieving this goal. The gainful employment ("GE") rule, negotiated twice during the Obama era, requires a calculation of debt-to-earnings using a graduate's third-year post-graduation earnings. Time does not allow us today to share all the problems with this arbitrary period.

A solid step toward universal accountability exists in the Department's current NPRM. It begins by providing students and institutions a common set of outcome metrics related to each program within that school.

Congress should determine what title IV eligibility rules are appropriate based on the same publicly available data across all sectors and not similarly discriminate solely based on an institution's tax status.

As the draft final rule moves through OMB's interagency review process, we request that leadership from both your respective offices take an active role in closely monitoring the pace and feedback from those who worked on the 2014 GE rule. We are deeply concerned former political appointees who worked on the current GE rule have since burrowed into career positions and may be purposively undermining this administration's rescission efforts.

Finally, we encourage the final rule to include a provision that permits Secretary DeVos to exercise her authority under the Higher Education Act of 1965, as amended, in allowing those affected institutions to early implement those specific sections of the final regulations that are rescinded.<sup>1</sup>

We commend the Trump administration for its plan to eliminate the onerous 2014 GE regulations, which disproportionately impacts career and vocational programs, and move to a more robust and equitable transparency framework that provides access to more data for programs at all institutions to better inform students, families, and taxpayers.

Thank you for the opportunity to meet with your staff this afternoon to discuss this important matter. We look forward to OMB's timely clearance of the final rule.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Gunderson", with a stylized flourish at the end.

Steve Gunderson  
President & CEO  
Career Education Colleges and Universities

c: Secretary Betsy DeVos

---

<sup>1</sup> Pursuant to Section 482(c) of the HEA, the Secretary may designate any regulatory provision that affects the programs under title IV and is published in final form after November 1 as one that an entity subject to the provision may, in the entity's discretion, choose to implement prior to the effective date (in this case July 1, 2020). The Secretary may specify in the designation when, and under what conditions, an entity may implement the provision prior to that effective date.