

April 2, 2024

The Honorable Miguel Cardona, Ed.D.
Secretary
U.S. Department of Education
400 Maryland Avenue SW
Washington, DC 20202

Dear Secretary Cardona:

The undersigned organizations strongly support the Financial Value Transparency and Gainful Employment (GE) Rule that became final on October 10, 2023. The framework and GE rule should take effect on July 1, 2024. The GE rule will provide critical protections for students by ensuring that career programs that lead to high levels of debt without a corresponding increase in earning power – as well as programs that fail to provide increased earnings relative to high school graduates in each state – improve or close. We again commend the Department for reinstating and improving a rule that takes critical steps to address career education programs that fail to deliver for students and offers students and families essential transparency into the performance of other higher education programs.

On March 29, 2024, the Department announced a delay in implementation, with additional time until October 1, 2024, being provided to institutions to provide the data required for the Department to calculate accurate debt-to-earnings rates and earnings premiums. This data is critical to the Department's ability to implement the rule.

We acknowledge the unusual challenges institutions now face with the awarding of financial aid and delays in receiving the information contained in the Free Application for Federal Student Aid (FAFSA). A time-bound delay in implementing GE and the financial value transparency framework will enable institutions to put their full focus on ensuring students receive the support they need to enroll and cover associated costs of attendance. But students also need these regulations to take effect in a timely way to ensure the integrity of the federal financial aid system.

We urge the Department not to delay implementation beyond October 1, 2024. This reporting should lead to Gainful Employment debt-to-earnings (D/E) rates and earnings premium (EP) rates that are calculated and published no later than January 2025. Any further delay would only leave students and their families waiting another year – or even years – to have access to the critical information and baseline protections the GE rule and Financial Value Transparency framework must guarantee.

We look forward to continuing our support for the Department's efforts to implement the rule to protect students and taxpayers. We also look forward to the publication of the D/E and EP rates with clear and timely implementation guidance to institutions, students, and advocates for the purpose of addressing programs that are not effectively serving students.

Thank you for your ongoing leadership on behalf of students, and your continued commitment to protecting students and taxpayers through regulations that uphold the promises of the Higher Education Act.

Sincerely,

Institute for Higher Education Policy (IHEP)
National Association for College Admission Counseling (NACAC)
National Consumer Law Center (on behalf of its low-income clients)
New America Higher Education Program
Project on Predatory Student Lending
The Century Foundation Higher Education Policy Team
The Education Trust
The Institute for College Access & Success
Third Way
UnidosUS
Veterans Education Success
David Halperin, Attorney