Written Statement of

Matthew Moore

On behalf of the Higher Education Loan Coalition (HELC)

Public Hearing
On the
Department of Education's Negotiated Rulemaking

June 2021

Written Comments Delivered by Matthew Moore
Board Member, Higher Education Loan Coalition

Assistant Vice President for Enrollment Operations
and Director of Financial Aid and Scholarships
Sinclair Community College

The Higher Education Loan Collation (HELC) is a grassroots organization comprised of schools dedicated to the continuous improvement and strengthening of the student Loan programs. Its members are practicing financial aid professionals working at participating institutions.

We appreciate the opportunity to provide comments on Gainful Employment (GE) as part of the public hearing on the US Department of Education's Negotiated Rulemaking. At the root, Gainful Employment (GE) regulations were put into place to strengthen accountability and transparency between institutions of higher education and the students in which they serve. Protecting students from borrowing through the Federal Direct Loan program in a short-term program that fails specified metrics is a critical outcome of these rules.

While there is certainly value in the GE regulations that have been in place throughout recent years, HELC has compiled a list of recommendations as the Department looks ahead to future Negotiated Rulemakings.

<u>Not Once Size Fits All</u>

The rules that were introduced in 2015 and effective in July 2017 imposed extensive reporting and disclosure requirements for <u>all</u> institutions that participated in the Title IV programs, and also created metrics to measure institutional performance and terminate programs that failed to meet such requirements. While all Title IV eligible non-degree or certificate programs offered at institutions of higher education had to comply, nearly 98 percent of all programs that failed the established metrics were offered by for-profit colleges.

Previous iterations of GE policy have not acknowledged that there are different types of institutions. It is our hope that if new GE rules come out that the Department will consider instituting sector-based policies. When the last GE rules were under enforcement in 2017 community colleges had the most GE programs of any sector, but also have the lowest cost. They also have existing methods of accountability through multi-layered public support and oversight, and through state and local funding sources, boards of trustees, and other public regulatory bodies. Why treat them the same? This also could be said of other public colleges and universities outside of the public two-year sector, along with many private not-for-profit institutions that have significant accountability structures in place.

Reporting

The robust set of requirements for reporting and disclosure previously required created an extreme administrative burden on institutions. These requirements were very challenging to meet and resulted in a collection of hundreds of hours per institution across a wide range of their institutional departments.

To limit the number of short-term programs that need to go through a GE review we suggest implementing a matrix that could consider things like:

- excluding programs that have a proven low cost and positive completion rates or employability rates
- excluding smaller programs where not enough students enroll and a pass/fail determination cannot be made
- focusing on programs and/or sectors that are of the greatest risk to students
- excluding shorter term programs that are embedded in a degree program (e.g. stackable certificates that are part of an associate degree, or a technical certificate that is embedded in a bachelor's degree)
- excluding programs where a smaller percentage of students borrow from the federal loan program

If an evaluation of all short-term Title IV eligibility programs is critical to the implementation of new GE regulations, we suggest that the Department use existing data that is collected through other sources (IEPDS, College Scorecard, etc.). If more information is needed, those mechanisms should be used to collect that data. Adding new reporting and data collection tools comes at a cost to both schools and the Department of Education.

Disclosure

Existing systems (College Scorecard, College Navigator, etc.) should also be used to provide any necessary disclosures in a uniformed, Department-hosted system. And only relevant information should be disclosed that will help a student truly make informed decisions about their program selection.

Closing

In closing, I would like to thank you again for the opportunity to present this testimony about Gainful Employment on behalf of the Higher Education Loan Coalition. The

Coalition looks forward to participating in the negotiated rulemaking process as it moves forward.