

## Congress of the United States

## House of Representatives Mashington, DC 20515

October 29, 2018

The Honorable Betsy DeVos Secretary U.S. Department of Education 400 Maryland Ave., SW Washington, DC 20002

Dear Secretary DeVos:

We write to express concern and request additional information regarding a recent change to the U.S. Department of Education's (Department) College Scorecard – an invaluable tool that helps prospective students and their families make informed college enrollment decisions and feeds critical data to other federal and private college search resources.<sup>1</sup> Recently, the Department inexplicably removed an important national comparison data measure from the search website. Because decisions of whether and where to pursue postsecondary education have lasting financial impact, we urge the Department to reverse the change and continue to provide all relevant and pertinent information in a user-friendly format.

Since its launch in 2013, the College Scorecard has provided students with institution-specific information such as cost, graduation rate, post-graduation earnings information, average amount borrowed per graduate, and loan repayment rate. To help students make sense of these data, the College Scorecard included national median outcomes data that allowed consumers to compare student academic and financial outcomes across all institutions that participate in federal student aid programs. These data contextualized the information on the webpage and allowed students to easily understand how an institution is serving its students relative to other institutions.

On September 28, 2018, these national comparison data points were inexplicably removed from the College Scorecard in an unpublicized update.<sup>2</sup> The Department claimed that these national comparison points are misleading because most students choose schools in their community, not nationally.<sup>3</sup> However, if the Department truly had concerns about the established comparison, the Department could have provided students with more transparency by choosing any number of other approaches currently in existence<sup>4</sup> or producing regionally-based data as an additional comparison point – rather than simply removing the point of reference altogether. The elimination of the only national comparison point used on the College Scorecard renders the tool significantly less effective in guiding students' enrollment decisions and requires consumers to spend more time doing their own research.

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The removal of these data come fewer than two weeks after the Department closed a comment period on its notice of proposed rulemaking to repeal the Gainful Employment (GE) regulation and put in place better outcomes data on the College Scorecard.<sup>5</sup> However, the Department's September 28<sup>th</sup> change to the College Scorecard to reduce the utility of the tool clearly conflicts with the Department's stated goal.

Additionally, this ill-informed change will affect other federal agencies that rely on the Department's College Scorecard data to populate other federal college search resources. Specifically, the Department of Veterans Affairs (VA) hosts a GI Bill Comparison Tool that aids GI Bill beneficiaries in weighing their higher education options following their military service. The VA relies on key data points from the College Scorecard to help student veterans compare student outcomes across institutions.<sup>6</sup> Given the VA's continued interest in helping current and former servicemembers and their families make informed college enrollment decisions, it is our understanding that the Department will continue to provide base data to the VA. The VA will then calculate the national comparison points for publication on the GI Bill Comparison Tool. We strongly urge the Department to reinstate the national comparison data on its own college choice tool to ensure that *all* consumers have equitable access to similar information.

The change will also undermine efforts made by the Consumer Financial Protection Bureau (Consumer Bureau), in coordination with the Department, to help students better understand loan options and compare school costs.<sup>7</sup> The recent College Scorecard change will weaken the effectiveness of the Electronic Financial Impact Platform (EFIP), a Consumer Bureau tool that displays various data and directs students to the College Scorecard for additional national averages.<sup>8</sup> In 2016, the Consumer Bureau found that a publicly traded for-profit corporation administering an in-house private student loan program lied to students about the costs of repaying the loans. To ensure every prospective student has unaltered information about cost and outcomes, the consent order requires the company to use EFIP.<sup>9</sup> Similarly, a settlement between 40 state attorneys general and a higher education provider alleged to be employing aggressive recruitment tactics and using misleading graduation and job placement rates also requires the use of EFIP.<sup>10</sup>

Comparative, contextualized information is extremely important for students. A significant body of research indicates that when consumers are presented with comparable information, they are better able to glean critical insights from the information and more likely to make decisions on the basis of those data.<sup>11</sup> While consumer decisions are difficult to sway through disclosures, the Department should provide heuristics that simplify the amount of information students must consider in order to render it most useful to students and families.

We strongly urge the Department to reverse its recent update and restore context that helps students evaluate the information and make well-informed decisions about college. This detail is essential to ensuring the continued utility of the tool and upholding the Department's commitment to transparency for students and families.

Additionally, we request your answers to the following questions by Monday, November 12th:

- 1. What is the Department's rationale for removing the national median indicators? Please provide documentation of all communication related to this decision.
- 2. What evidence did the Department use to support removing the national comparison points? Please provide the analysis.
- 3. Did the Department consider alternatives to eliminating the national median indicator from the College Scorecard to address concerns? If so, what were those alternatives and why were the alternatives rejected?
- 4. Does the Department plan to provide raw data to the VA for purposes of the GI Bill Comparison Tool?
- 5. Please provide detailed information on all forthcoming changes to the College Scorecard. If no decisions have yet been made, please provide detailed information on all potential changes under consideration.
- 6. For each change noted above, please provide a detailed timeline for the production of the College Scorecard data, consumer testing of any changes to metrics and/or the website, and planned outreach to students, families, high schools, non-profit organizations, or other key stakeholders.
- 7. How will the Department coordinate with the VA and Consumer Bureau on future changes to the College Scorecard?
- 8. What research is the Department using to guide its decision making on forthcoming changes to the College Scorecard? Please provide the analysis.

Thank you for your prompt attention to this matter.

Sincerely,

**ROBERT C. "BOBBY" SCOTT** Ranking Member Committee on Education and the Workforce

**TIMOTHY J.WALZ** Ranking Member Committee on Veterans' Affairs

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MAXINE WATERS Ranking Member Committee on Financial Services

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MARK TAKANO Vice Ranking Member Committee on Veterans' Affairs

cc: The Honorable Robert Wilkie, Secretary, Department of Veterans Affairs The Honorable Mick Mulvaney, Director, Office of Management and Budget

https://www.insidehighered.com/news/2018/10/08/changes-college-scorecard-anger-veterans-groups.

<sup>4</sup> Kelchen, Robert. "How to Provide Context for College Scorecard Data." Blog. October 2, 2018. Available at: https://robertkelchen.com/2018/10/02/how-to-provide-context-for-college-scorecard-data/.

<sup>5</sup> Program Integrity: Gainful Employment, 83 FR 40167 (August 14, 2018). *Federal Register: The Daily Journal of the United States*. Web. 19 October 2018.

<sup>9</sup> Consumer Financial Protection Bureau. Consent Order. File No. 2016-CFPB-0016. Available at: https://files.consumerfinance.gov/f/documents/092016\_cfpb\_BridgepointConsentOrder.pdf

https://www.cmu.edu/dietrich/sds/docs/loewenstein/DisclosureChgsEverything.pdf.

<sup>&</sup>lt;sup>1</sup> The College Scorecard is available at <u>https://collegescorecard.ed.gov.</u>

 <sup>&</sup>lt;sup>2</sup> "Change Log." College Scorecard. Available at: <u>https://collegescorecard.ed.gov/data/changelog/</u>.
<sup>3</sup> Kreighbaum, Andrew. "Frustrations Over Consumer Tool." October 8, 2018. Available at:

<sup>&</sup>lt;sup>6</sup> The GI Bill Comparison Tool is available at: <u>https://www.vets.gov/gi-bill-comparison-tool</u>.

<sup>&</sup>lt;sup>7</sup> For example, in 2011, the Consumer Bureau worked with the Department to launch the Know Before You Owe: student loans project, which helped create a financial aid shopping sheet that hundreds of colleges and universities use to help students better understand and compare the financial aid packages offered by different institutions.

<sup>&</sup>lt;sup>8</sup> The Consumer Bureau's website includes a link to the College Scorecard to better inform students as they research schools, related costs and financing options. *See* "Paying for College." Consumer Bureau. Accessed on October 24, 2018. Available at: <u>https://www.consumerfinance.gov/paying-for-college/</u>.

<sup>&</sup>lt;sup>10</sup> "Students of for-profit education company to receive loan relief." South Pittsburgh Reporter. November 24, 2015. Available at: <u>https://www.sopghreporter.com/story/2015/11/24/news/students-of-for-profit-education-company-to-receive-loan-relief/16184.html</u>.

<sup>&</sup>lt;sup>11</sup> Loewenstein, George, Cass R. Sunstein, and Russell Golman. "Disclosure: Psychology Changes Everything." Annual Review of Economics, 6:391–419. March 6, 2014. Available at: