

Congress of the United States
Washington, DC 20515

January 7, 2019

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

Re: Docket ID ED–2018–ICCD–0120

Dear Secretary DeVos:

We write to submit comment on the U.S. Department of Education’s (“Department”) proposed 2019 Disclosure Template for gainful employment programs. Implementing regulations for gainful employment (GE) requires the Department to produce a disclosure template informed by consumer testing to serve as the basis for the disclosure of program-level outcomes data to inform consumer choices. The proposal lacks justification to support changes to the template that would dramatically reduce the amount of available information and mask poor performance of career programs. Our concerns with key areas to the proposed disclosure template are detailed below.

It is unclear whether the Department conducted consumer testing that justifies changes to the proposed template, as required by the implementing regulation.

Any change in the GE disclosure requirements must comply with the current regulatory framework, which requires the Secretary to “conduct consumer testing to determine how to make the disclosure template as meaningful as possible.”¹ While consumer testing was done to inform the initial 2017 GE disclosure template, the Department has not indicated that it has conducted testing for the 2019 disclosure template, the results of which would justify proposed changes to the template as useful to students and families interested in career education programs.² Without consumer testing that justifies its proposed changes to the template, the Department would not have met its legal obligation, as articulated in the effective regulation.

The removal of key data elements will make it harder for students to make informed decisions.

The Department should publish all key outcome measures students deem most important on the final disclosure template. Unless results of the Department-conducted consumer testing indicate otherwise, evidence shows that the five data elements removed from the template are essential. In two national surveys of prospective and recently-enrolled students, respondents noted that the five data elements the Department is proposing to remove were critical for college choice.³

- ***Completion rate*** – This metric offers an important indicator of students’ chances of success in a program and their attainment of a credential that carries value in the labor

market. Seventy-four percent of survey respondents said graduation rates were important when selecting a college. Additionally, because GE metrics only examine the results of program graduates, completion rates provide important context for understanding how many students were captured in the GE metrics. Students should know, for instance, that when a program only graduates 15 percent of its students, the program's debt and earnings only apply to the share of students who completed.

- ***Median (typical) debt of program graduates*** – Given the central role that student loan debt plays in a student's evaluation of a program's return on investment, the typical loan amount owed upon graduation should be shared with students through the disclosure template.⁴ Students also want to evaluate their debt relative to prospective earnings, but the Department removed median earnings data in its 2018 template.⁵ Meanwhile, 70 percent of survey respondents cited the average starting salary for graduates and average amount of money borrowed as key factors in selecting a college.
- ***Median (typical) monthly loan payments*** – This metric helps borrowers contextualize the implications of debt and allows them to better budget for their futures. The survey found that while 90 percent of students thought borrowing for college was reasonable, they did not have a good sense as to what level of debt was reasonable and what estimated monthly loan payments should be. This indicates that students need clear information to understand exactly how student loan repayment – on a monthly basis – is structured compared to how much they're borrowing overall.
- ***Typical career fields upon graduation*** – This disclosure is critical in helping students connect programs and coursework with prospective employment, particularly if institutions suggest their programs will lead to better – or better-paying – jobs. Seventy-eight percent of survey respondents said that the number of graduates who find full-time employment in the field within six months was an important or very important factor in selecting a college.
- ***Job placement rate*** – Job placement rates present the best available information on employment outcomes, aside from earnings information. Since some states and accreditors already require institutions to calculate job placement rates by program, the data should also be made available to students. Nine in ten respondents said that improving employment opportunities was an important or very important reason for going to college.

The College Scorecard is an insufficient replacement for GE disclosures.

It appears the Department is proposing to add a link to the institution's College Scorecard profile in exchange for eliminating important data elements from the GE disclosure template. While the College Scorecard is a valuable tool, it cannot serve as a replacement for program-level GE student disclosures for several reasons.

First, the College Scorecard does not include program-level data on any student outcomes, including median earnings. The Department has made clear that program-level earnings data will not be available at any point in 2019 when the revised GE disclosure template is scheduled to be implemented. In fact, 2021 will be the earliest any program-level earnings data can be made available, after the Department is able to match 2019 federal tax data to complete program data for the 2014-2015 award year.⁶

Second, requiring students to visit an additional website to view key outcomes makes it less likely that students will access the data. To drive behavior and impact enrollment decisions, research states that a disclosure must contain attention-grabbing, comparative, and salient information upfront or students will ignore the disclosure entirely.⁷ In particular, the federal government, including the National Center for Education Statistics (NCES), has issued user experience best practices and guidelines, including for higher education disclosures, that recommend websites adopt the “three-click approach.” This approach minimizes the chances for users to abandon a website if they are unable to find the desired information within three mouse clicks of the home page.⁸ The proposed template disregards this NCES-recommended best practice, as students would have to navigate to a school’s website, the program website, a consumer information website, the GE Disclosure website, and finally the College Scorecard. Even when program-level outcomes become available, students should not have to click to a fourth website to see vital program information.

Finally, this Administration has already diminished the value of the College Scorecard by removing critical national comparison data that assisted students in understanding institutional cost and outcome metrics.⁹ Replacing GE disclosures with a link to a diminished College Scorecard will only exacerbate the lack of clear and relevant information for students. For example, students who may be interested in pursuing an undergraduate certificate in Automotive Technology with the Universal Technical Institute will not be able to see that only 15 percent of title IV students complete the program on time, with the typical graduate leaving with nearly \$18,000 in debt and a \$182 monthly loan payment, and contextualize those outcomes with national comparison data.¹⁰ Moreover, because the College Scorecard currently excludes information for foreign institutions, students attending for-profit foreign graduate medical and veterinary schools will not receive comprehensive information regarding student outcomes.¹¹

In closing, both the lack of consumer testing to support the proposal and content of the proposed 2019 GE disclosure template are cause for significant concern. We urge the Department to publish the results of the required consumer testing with accompanying explanation for the Department’s proposed changes to satisfy the requirements of the implementing regulation. Upon such publication, the Department should provide an additional 30 days for public comment prior to finalizing the 2019 template. By stripping the gainful employment disclosure template of its most central data elements, the Department is denying students the transparency afforded to them by the rule and permitting poor-performing institutions to obfuscate their outcomes for students.

Sincerely,



ROBERT C. “BOBBY” SCOTT
Chairman
Committee on Education and Labor
U.S. House of Representatives



PATTY MURRAY
Ranking Member
Committee on Health, Education, Labor
and Pensions
U.S. Senate

¹ 34 CFR 668.412(a).

² Holly Bozeman, et al., *Summary Report for the Gainful Employment Focus Groups*, Westat (February 10, 2016), <https://www2.ed.gov/about/offices/list/ope/summaryrptgefocust216.pdf>; Holly Bozeman, et al., *Summary Report for the 2017 Gainful Employment Focus Groups (March 2017)*, <https://www2.ed.gov/about/offices/list/ope/summaryrpt2017gefocust317.pdf>.

³ Rachel Fishman, *2015 College Decisions Survey Part I: Deciding to Go to College*, New America (May 28, 2015), <https://www.luminafoundation.org/files/resources/deciding-to-go-to-college.pdf>; R. Fishman, *College Decisions Survey Part IV: Understanding Student Loan Debt*, New America (September 1, 2015), <https://www.newamerica.org/education-policy/edcentral/collegedecisions4/>.

⁴ Young Invincibles, *Maximizing Student Success: A Student-Driven Platform for Higher Education Accountability* (June 28, 2018), <https://younginvincibles.org/maximizing-student-success-student-driven-platform-higher-education-accountability/>.

⁵ Office of Postsecondary Education, *Gainful Employment Electronic Announcement #110 – Release of the 2018 GE Disclosure Template*, (January 19, 2018), <https://ifap.ed.gov/eannouncements/011918GEAnnounce110Rel2018GEDisclosureTemplate.html>.

⁶ U.S. Department of Education, Transcript, *Gainful Employment Negotiated Rulemaking Committee 2017-2018, Session 3*, pages 62-63, (March 14, 2018), <https://www2.ed.gov/policy/highered/reg/hearulemaking/2017/gettranscriptsday3.pdf>.

⁷ See, e.g., OECD Digital Economy Papers No. 269, *Improving Online Disclosures with Behavioural Insights*, (April 2018), <https://www.oecd-ilibrary.org/docserver/39026ff4-en.pdf?expires=1541969574&id=id&accname=guest&checksum=2A434EB664682619E813F91CCB461243>; Federal Trade Commission Workshop, *Putting Disclosures to the Test: Staff Summary*, (November 2016), <https://www.ftc.gov/system/files/documents/reports/putting-disclosures-test/disclosures-workshop-staff-summary-update.pdf>.

⁸ See, National Postsecondary Education Cooperative, *Information Required to be Disclosed Under the Higher Education Act of 1965: Suggestions for Dissemination*, (November 2009), <https://nces.ed.gov/pubs2010/2010831rev.pdf>; Usability.gov, *Improving the User Experience*, (December 2018) <https://www.usability.gov/what-and-why/glossary/3-click-rule.html>.

⁹ Letter to Secretary DeVos from Reps. Scott, Waters, Walz, and Takano on changes to the College Scorecard, (October 29, 2018), [https://democrats-edworkforce.house.gov/imo/media/doc/2018-10-29%20College%20Scorecard%20Letter%20\(RM%20Scott,%20RM%20Walz,%20RM%20Waters,%20VRM%20Takano\).pdf](https://democrats-edworkforce.house.gov/imo/media/doc/2018-10-29%20College%20Scorecard%20Letter%20(RM%20Scott,%20RM%20Walz,%20RM%20Waters,%20VRM%20Takano).pdf).

¹⁰ Universal Technical Institute, *Gainful Employment Disclosure: Undergraduate Certificate in Automotive Technology w/ Diesel Industrial OR w/ NASCAR & Mopar TEC & Pit Crew*, (March 28, 2018), <http://utisite.com/gainful-employment/008221%20-%2075%20Week%20Certificate%20-%20Automotive%20Technology%20w%20Diesel%20Industrial%20OR%20w%20NASCAR%20&%20Mopar%20TEC%20&%20Pit%20Crew/47.0604-Gedt.html>.

¹¹ The Department recently waived certain consumer information disclosure requirements for foreign institutions, including outcome measures such as retention, completion, graduation, and transfer rates. Thus, students at the eight for-profit foreign medical and veterinary schools participating in the federal student loan programs would no longer receive comprehensive outcome information from any required source if the Department proceeds with its plan to remove the outcome measures from the GE disclosure template. Office of Postsecondary Education, U.S. Department of Education. *“Waiver of Certain Consumer Information Requirements for Foreign Institutions of Higher Education.”* 83 FR 61121. (November 28, 2018).