

May 4, 2016

The Honorable John B. King
Secretary of Education
U.S. Department of Education
400 Maryland Avenue SW
Washington, DC 20202

Dear Secretary King:

As advocates working on behalf of students, consumers, veterans, service members, faculty and staff, civil rights and college access, we thank you for the Department's response to the Association for Private Sector Colleges and Universities' April 14 request that the Department delay sanctions under the gainful employment rule. We agree with the Department that "students and taxpayers deserve not to wait any longer for these commonsense protections."

The for-profit college trade association's letter makes the same specious arguments that courts have firmly rejected. It also misses the point of the regulation—to ensure that students have the information they need to make informed program selections and that taxpayers do not continue to subsidize programs that fail to prepare students for jobs paying well enough to allow repayment of student loans. If the economy changes, colleges should change their career education program offerings accordingly. If the jobs for which a program was training students are no longer available, the school should stop offering that program; taxpayers should not be forced to continue subsidizing it. The regulation is designed to ensure that career education programs adjust to changes in the economy, so continued changes in the economy are reason to implement the regulation, not to delay it.

The trade association's letter cites studies that it claims indicate that recent graduates of all schools are facing significant new challenges finding work related to the value of their degrees. However, one Georgetown University study it cites, entitled "Good Jobs are Back," concludes that "good jobs for college graduates are leading the recovery." The "recent" study it cites by economists at the Federal Reserve Bank of New York (NY Fed) is from January 2014, before the regulation was finalized. By contrast, January 2016 research by the same economists at the NY Fed, entitled "Working as a Barista after College Is Not as Common as You Might Think," indicates that the demand for college-educated workers is growing.

Finally, the only penalties scheduled to be imposed under the gainful employment rule this year are warnings to current and prospective students in failing programs. Thus, the association is effectively requesting that these students be kept in the dark. This is unconscionable. In order to protect students, the Department must fully implement the gainful employment rule in 2016, including issuing final program rates and requiring warnings for students in failing programs and the use of a new consumer information template.

Students and taxpayers are counting on you, and we stand ready to support your efforts.

Sincerely,

American Association of University Women (AAUW)
American Federation of Labor-Congress of Industrial Organizations (AFL-CIO)
American Federation of Teachers, AFL-CIO
Americans for Financial Reform
Association of the United States Navy (AUSN)
Campaign for America's Future
Center for Law and Social Policy
Center for Public Interest Law
Center for Responsible Lending
Children's Advocacy Institute
Children's Defense Fund
Consumer Action
Consumer Federation of California
Consumers Union
Crittenton Women's Union
The Education Trust
Empire Justice Center
Equal Justice Works
Generation Progress
Higher Ed, Not Debt
Housing and Economic Rights Advocates
Initiative to Protect Student Veterans
Iraq and Afghanistan Veterans of America (IAVA)
The Institute for College Access & Success
Institute for Higher Education Policy (IHEP)
The Leadership Conference on Civil and Human Rights
League of United Latin American Citizens (LULAC)
Mississippi Center for Justice
NAACP
National Association for College Admission Counseling
National Association of Consumer Advocates
National Consumer Law Center (on behalf of its low-income clients)
National Consumers League
National Education Association (NEA)
National Women Veterans Association of America
NCLR (National Council of La Raza)
NYPIRG
Project on Predatory Student Lending of the Legal Services Center of Harvard Law School
Public Advocates Inc.
Public Citizen
Public Counsel
Public Good Law Center

Public Law Center
Student Debt Crisis
Student Veterans of America
U.S. PIRG
United States Student Association
University of San Diego School of Law Veterans Legal Clinic
Veterans Education Success
Veterans for Common Sense
Veterans' Student Loan Relief Fund
VetJobs
VetsFirst, a program of United Spinal Association
Vietnam Veterans of America
Woodstock Institute
Young Invincibles