February 10th, 2023

U.S. Department of Education
Office of the Under Secretary
400 Maryland Ave., SW
Washington, DC 20202

Docket ID # ED-2023-OUS-0140

To Whom It May Concern:

Thank you for the opportunity to comment in response to a request for information regarding how best to identify low-financial-value postsecondary programs (ID # ED-2023-OUS-0140). New America's higher education program is a team of researchers, storytellers, and advocates from diverse backgrounds who engage in thoughtful analysis, shedding light on the thorniest issues in higher education and developing student-centered federal policy recommendations. We are dedicated to making higher education more equitable and accountable, fighting for inclusion rather than exclusivity, so that everyone has the chance to obtain an affordable, high-quality education after high school. We are a voice for students, telling hard truths when institutional interests dominate policy discussions, making us well-suited to respond to this request. We welcome the opportunity to discuss our comments further, and our contact information is included at the end of this letter.

While completion of a postsecondary education, particularly longer-term programs like associate and bachelor's degrees, pay off for most students, too many students are entering programs that don't provide a return on their investment. Given the amount of federal funding that goes to colleges and universities through federal financial aid, the Department has an obligation to students and taxpayers to determine which programs don't provide meaningful value that will improve the economic experience of students.

Determining low-financial-value programs is also of critical importance particularly in light of the Biden Administration's push for debt cancellation, a proposed more generous income-driven repayment plan (# ED-2023-OPE-0004), and other regulatory and agency efforts to ease the burdens of borrowers. While borrowers should face an easier-to-navigate system of repayment, one that is student-centered and promotes opportunity, the lack of front-end accountability to prevent institutions from exploiting students and taxpayers for monetary gain is concerning. What accountability we do have through such metrics as the cohort default rate have become meaningless as institutions learned to skirt sanctions by gaming the system.[1]

At New America, we believe financial aid, including loans, must promote opportunity ***and*** that everyone, including institutions and the federal government, must be held accountable for that taxpayer investment. Therefore we include similar language in this RFI as is seen in our

[1] Ben Miller, "Now is the Time to Fix Cohort Default Rates," Center for American Progress, October 27, 2020, https://www.americanprogress.org/article/now-time-fix-cohort-default-rates/.

comments on the Department's proposed IDR rule. The Department must make sure it is offering appropriate repayment plans to borrowers all while preventing schools from using the generosity of these plans, among other tactics, to defraud students, to aggressively recruit them to attend low-quality programs, to raise tuition based on the availability of easy money, or to downplay and obfuscate debt obligations to students.

We urge the Department to think of low-financial-value programs in concert with the accountability provisions it is seeking to improve through the regulatory process. This spring, the Department is proposing a new gainful employment rule that will likely include both a debt-to-earnings ratio and an earnings threshold. Although gainful employment sanctions only apply to certain types of programs, applying these metrics as disclosures across all programs is a good place to start to establish a floor when determining low-financial-value programs. Students deserve to know whether a program of study is going to pay off, and they should be able to make apples-to-apples comparisons among similar programs.

We urge the Department to follow-up this request with strong accountability regulations this spring including new proposed rules for gainful employment, administrative capability, financial responsibility, ability to benefit, among others.

Should you have any questions regarding these comments, please contact us at the information provided below.

Sincerely,

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Measures and Metrics

The Department included several questions related to the measures and metrics that could be used to identify low-value postsecondary programs. It is important to choose metrics that are easy for students, families, and taxpayers to understand. And it is crucial that these metrics be applied across the board so an apples-to-apples comparison can be made across programs.

Question 1. *What program-level data and metrics would be most helpful to students to understand the financial (and other) consequences of attending a program?*

Question 2. *What program-level data and metrics would be most helpful to understand whether public investments in the program are worthwhile? What data might be collected uniformly across all students who attend a program that would help assess the nonfinancial value created by the program?*

Most students decide to attend postsecondary education because they want to earn a credential that will lead to a high-quality career that will ensure their economic security. A nationally representative survey of undergraduate decision making conducted by New America in 2015 found that the top three reasons students chose college were to improve their employment opportunities, to make more money, and to get a good job.[2] More recently, a *New York Times* focus group of high school seniors applying to college found that all participants said that they chose to go to college to gain a credential that would help them secure a job.[3] One participant explained, "I think college is a prerequisite for a lot of careers and for the career I want to go into, engineering…the main thing is getting the experience and credentials and degree."[4]

Yet we also know that completion of a postsecondary program isn't good just for individuals, it also confers benefits to society—from improved civic participation, to more tax revenues, to safer and healthier communities.[5] This is the driving reason why local, state, and federal governments subsidize education after high school, with particular targeting of those benefits towards undergraduate programs. In New America's annual nationally representative survey of Americans ages 18 and older, 75 percent of respondents said education after high school offers a good return on investment, both for the individual and for the general population.[6] A majority of Americans (58 percent) also believe that higher education should be funded by government, rather than students and families, because it is good for society.[7]

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[2] Rachel Fishman, "College Decisions Survey: Deciding to Go to College," EdCentral (blog), New America, May 28, 2015,https://www.newamerica.org/education-policy/edcentral/collegedecisions/.
[3] Kristen Soltis Anderson and Patrick Healy, "Harvard or Happiness? 11 High School Seniors Debate College Rankings," *The New York Times,* January 25, 2023,
https://www.nytimes.com/interactive/2023/01/25/opinion/high-school-seniors-college-focus-group.html.
[4] Ibid.
[5] Jennifer Ma, Matea Pender, Meredith Welch, *Education Pays 2019: The Benefits of Higher Education For Individuals and Society* (New York, NY: College Board, 2020),
https://research.collegeboard.org/media/pdf/education-pays-2019-full-report.pdf.
[6] Rachel Fishman, Sophie Nguyen, and Louisa Woodhouse, *Varying Degrees 2022: New America's Sixth Annual Survey on Higher Education* (Washington, DC: New America, 2022),
https://www.newamerica.org/education-policy/reports/varying-degrees-2022/explore-the-data/.
[7] Ibid.

For most students who attend a postsecondary education program and complete, there is a financial payoff. But too many students attend poor-quality programs that fail to give them the support they need to maintain enrollment and graduate, imperiling their financial security and potentially leaving them worse off than if they had never enrolled. Even when students do complete, the cost of an education can exceed the financial returns for students. This can acutely harm Black and other students of color, and low-income students who have fewer resources to draw from. Approximately 20 years after starting repayment, for example, the typical Black borrower still owes 95 percent of the principal amount they took out, compared to just 6 percent for White borrowers.[8]

We are heartened to see the Department set a regulatory agenda meant to improve federal student loan borrower experiences and hold institutions accountable to taxpayer investment. The notice for proposed rulemaking (ED-2023-OPE-0004) to amend income-driven repayment to make a more generous “REPAYE” plan will help provide relief to borrowers both in terms of their monthly payments and also the time horizon they face for forgiveness. It also makes several changes that will help delinquent and defaulted borrowers access IDR plans and a path toward loan forgiveness.

These changes will go a long way in helping borrowers, but it will also create a repayment plan that will lead to unintended consequences and likely promote undesirable institutional behaviors. The new plan will make it easy for institutions to charge higher tuition and/or increase enrollments in programs and soak up loan dollars from students. For institutions, loans are grants. Colleges and universities face little to no consequence if their borrowers struggle to repay their loans. Our existing institutional accountability measure for student loan repayment, the Cohort Default Rate (CDR), is easily gamed by institutions and all but moot at the moment given the payment pause.[9] Indeed, during the 2015 program integrity rulemaking, one college president admitted that colleges and universities used Parent PLUS loans as a no-strings-attached revenue source to avoid the CDR sanctions that come if students struggle to repay federal unsubsidized or subsidized loans. [10]

For this reason, this RFI on finding and surfacing low-value postsecondary programs should not be thought of as separate to the IDR NPRM and other regulatory work with which the Department is engaged. Instead, the RFI and other transparency and accountability changes the Administration is pursuing should work in concert with its loan-related policies—ensuring borrowers aren’t harmed by our student lending system and by predatory institutional actors. Lack of accountability in our higher education system hits disadvantaged and marginalized

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[8] Laura Sullivan, Tatjana Meschede, Thomas Shapiro, and Fernanda Escobar, *Stalling Dreams: How Student Dept is Disrupting Life Chances and Widening the Racial Wealth Gap* (Boston, MA: The Institute on Assets and Social Policy, September 2019), https://heller.brandeis.edu/iere/pdfs/racial-wealth-equity/racial-wealth-gap/stallingdreams-how-student-debt-is-disrupting-lifechances.pdf
[9] Ben Miller, “Now is the Time to Fix Cohort Default Rates,” Center for American Progress, October 27, 2020, https://www.americanprogress.org/article/now-time-fix-cohort-default-rates/.
[10] Rachel Fishman, *The Parent Trap: Parent PLUS Loans and Intergenerational Borrowing* (Washington, DC: New America, January 2014), https://static.newamerica.org/attachments/748-the-parent-trap/Corrected-20140110-ParentTrap.pdf.

students the hardest as they are the ones who tend to enroll in low-financial-value programs. A decade-long longitudinal study, for example, found that Black youth in Baltimore's public-housing projects strived and enrolled in colleges just like their White peers, but were consistently drawn to, and aggressively recruited by, for-profit trade schools that didn't pay off.[11] The low-value programs list is just one step in getting the necessary data to understand where our higher education investments are falling short both for students and for taxpayers, and to put those programs on improvement plans.

At New America, we believe financial aid, including loans, must promote opportunity ***and*** that everyone, including institutions and the federal government, must be held accountable for that taxpayer investment. Therefore we include similar language in this RFI as is seen in our comments for the IDR NPRM. The Department must make sure it is offering appropriate repayment plans to borrowers all while preventing schools from using the generosity of these plans, among other tactics, to defraud students, to aggressively recruit them to attend low-quality programs, to raise tuition based on the availability of easy money, or to downplay and obfuscate debt obligations to students.

To protect both students and taxpayers, the Department must:

Use forthcoming gainful employment (GE) measures to determine low-value programs.

Although the sanctions of GE statutorily only apply to certain programs, they are a useful measure for determining low-value programs overall and thus should be used to determine the list of low-financial-value programs. The 2014 GE regulations already established a debt-to-earnings (DTE) ratio widely seen as a threshold that program graduates would need to surpass to sufficiently pay down their loans.[12] The most recent GE proposal from the Department included an earnings threshold test in addition to DTE. An earnings threshold is needed because not all students borrow for their programs, but they still may use federal financial aid, not to mention their own time and money, to complete programs.

Although the GE regulations are forthcoming, during the most recent Education Department negotiations, it seems that the earnings threshold will be set at the high school graduate level, adjusted by state.[13] In other words, a graduate of a program would need to make more than someone with only a high school degree in their state. This is a low bar that is easily understood

[11] Melinda D. Anderson, "When For-Profit Colleges Prey on Unsuspecting Students," *The Atlantic*, October 24, 2016, https://www.theatlantic.com/education/archive/2016/10/when-for-profit-colleges-prey-on-unsuspecting-students/505034/.
[12] Michael Itzkowitz and Shelbe Klebs, "What Will Happen if We Reinstate the Gainful Employment Rule?" Third Way (blog), February 10, 2022, https://www.thirdway.org/blog/what-will-happen-if-we-reinstate-the-gainful-employment-rule#:~:text=eight%20years%20ago.-,What%20Was%20the%202014%20Gainful%20Employment%20Rule%3F,after%20they%20completed%20their%20credential.
[13] U.S. Department of Education, Office of Postsecondary Education, "Issue Paper 3: Gainful Employment," March 14-18, 2022, https://www2.ed.gov/policy/highered/reg/hearulemaking/2021/isspap3gainempl.pdf.

by students and taxpayers—that you shouldn't be left worse off after graduating than if you had never pursued higher education. According to an analysis by New America of how the high school wage threshold compares to a living wage, the high school threshold is lower than a living wage in 47 states and, in an average state, is over $6,000 lower than a living wage.[14] These estimates are conservative because we only looked at a living wage for one adult with no children.

Appeals for under-resourced institutions

Minority serving institutions (MSIs) and institutions that serve large shares of low-income and students of color have been historically underfunded and remain under-resourced.[15] In many cases, the nonprofit private and public institutions that support marginalized populations are trying to make the most of the resources they have, and have fewer institutional aid dollars available to defray the cost of higher education for their students. Their graduates also face labor market discrimination, suppressing earnings and their ability to repay debt.

To potentially help account for this disparity, the Department could consider an appeals process for those programs that fail DTE or the earnings threshold. This could include an improved instructional spending metric—one already exists in the integrated postsecondary data system (IPEDS) but contains marketing and recruitment as part of the measure which is arguably not an instructional expense. While the Department would have to determine an appropriate threshold for instructional spending, it would allow the Department to gauge whether institutions are spending the money on students, and whether failure to meet DTE or an earnings threshold is a result of discrimination the communities they serve face.

Another part of the appeals process that could supplement instructional spending is placement rates in further education which could improve a student's earnings and ability to repay debt. For example, if an institution's program has a record of sending its students on to bachelor's degree programs (in the case of community colleges) or graduate programs, then there should be a way to account for this in the data and prevent a way for programs to unnecessarily get caught in the low-value list.

Importantly, if the Department does consider an appeals process, even if a program passes through an appeal, the institution should still submit an improvement plan for that program even if it isn't publicly on the low-value list. And if they fail a number of years in a row, they should get added to the watch list regardless of any appeals process the Department may utilize.

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[14] Using 2021 data, we compared MIT's measure of a living wage for a one-person household to the median wage of a high school graduate in each state. MIT's living wage data are available here (MIT recently updated their website to reflect 2022 prices; our analysis used their 2021 data): https://livingwage.mit.edu/. We calculated median wages using the 2021 1-year file of the American Community Survey accessed through IPUMS. A respondents' wages were factored into the state median wage only if they had a high school diploma or equivalent, were 25 to 34 years old, and reported non-zero wages.

[15] Denise A. Smith, "Build Back Better Is a First Step in Reversing Decades of Unequal Funding for HBCUs," The Century Foundation, January 25, 2022, https://tcf.org/content/commentary/build-back-better-is-a-first-step-in-reversing-decades-of-unequal-funding-for-hbcus/.

In the end the Department must balance any considerations of any appeals with a student's right to know about the outcomes of the programs in which they are enrolled. Institutions are not powerless actors. They shouldn't be penalized for being under-resourced and serving low-income and low-wealth students, but they are also very influential within their local communities as one of the top employers and training providers. DTE and the earnings threshold can help provide the necessary cover to institutions so they can turn to their localities and states and refuse to provide access to low-value programs that put their students at risk of poverty and indicate that they need further subsidies, local minimum wage increases, and/or employers to provide on-the-job training.

Additional considerations when using GE measures across all programs
The Department has already recognized differences among local labor markets, and has called for adjusting the earnings threshold by state. In addition, the Department should explore adjusting based on urbanicity. For example, there are stark differences in median wage between San Francisco, California (median household income $126,187) and the state of California (median household income $84,097).[16] Adjusting by urbancity could be challenging for the Department to operationalize, but it's worth further analysis to understand the difference between rural and metro economies. Another geographical factor that the Department could use to adjust the earnings threshold is "persistent poverty counties" as determined by the federal government.[17] Institutions shouldn't be held to a standard that is grossly disproportionate to their local economy and related cost of living.

The high school earnings threshold is also limited in that it is too low a bar for graduate programs. Since those enrolled in graduate school have a bachelor's degree to insulate them from economic hardship and low wages, the threshold should be those with a bachelor's degree and no further graduate education. The Department should apply the same state and, if it so chooses, other geographical adjustments to a bachelor's degree earnings threshold, and could also consider adjusting based on program of study.

Question 3. *In addition to the measures or metrics used to determine whether a program is placed on the low-financial-value program list, what other measures and metrics should be disclosed to improve the information provided by the list?*

There are several other measures or metrics to guard against the unintended consequences of a more generous repayment plan. These measures should be developed after careful exploration of existing literature and new analysis by the Department.

- *Loan-focused accountability.* The Department must consider the impact the new REPAYE plan may have on tuition increases, enrollment increases, and increases in student loan borrowing. The Department has an obligation to monitor institutions that

[16] United States Census Bureau, "Quick Facts: California; San Francisco City, California," median household income in 2021 dollars, https://www.census.gov/quickfacts/fact/table/CA,sanfranciscocitycalifornia/HSG010221.
[17] Economic Research Service, United States Department of Agriculture, "Persistent Poverty Counties," accessed February 9, 2023, https://www.ers.usda.gov/data-products/county-typology-codes/descriptions-and-maps/.

engage in potentially predatory behavior that could lead to the proliferation of low-value programs. Therefore, the Department should consider:
    - Data that will flag programs that have large increases in tuition.[18]
    - Data that will flag programs that have substantial increases in student loan borrowing, with particular attention paid to the types of borrowing, types of loans, and types of borrowers and loans over a certain period of time.
    - Data that will flag new programs and programs that have substantial increases in enrollment over a certain period of time. For example, the Department could align what it considers substantial growth with what triggers an accreditation review of distance education programs.[19]

In addition, there are several other measures or metrics that we recommend which can be used to supplement DTE and the earnings threshold that should provide helpful context to students and taxpayers about low-value programs:

- *Withdrawal, retention, and graduation rates.* Given that GE only applies to program completers, having these measures is an important safeguard to make sure students are getting across the finish line in the first place.
- *Inclusion of non completers in earnings and DTE.* In addition to understanding retention and completion, the Department should explore how to account for non completers in earnings and DTE. The outcomes of non completers are important since they are the ones most likely to not see a return on their investment.
- *Licensure pass rates.* For those programs that are tied to licensure, providing information on licensure pass rates is important to understanding whether the graduates of those programs will land in the careers for which they trained.

List Structure

The Department included two questions related to how the low-financial-value list should be structured. It is important to create lists that aren't so fine-grained that privacy suppression prevents students and taxpayers from understanding outcomes. Additionally, the structure of the list must address the broad diversity of postsecondary credentials.

Question 4. *The Department intends to use the 6-digit Classification of Instructional Program (CIP) code and the type of credential awarded to define programs at an institution. Should the Department publish information using the 4-digit CIP codes or some other type of aggregation in cases where we would not otherwise be able to report program data?*

Currently, privacy suppression of existing programmatic data through the College Scorecard, which is reported at the 4-digit CIP code level, prevents students, taxpayers, policymakers, and researchers from knowing the outcomes of programs. Privacy suppression will be even more

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[18] For this, and the other two suggestions under our recommendations for loan-focused accountability, we encourage the Department to add some flexibility in cases of national emergency or economic instability as seen during the Great Recession and COVID-19 pandemic.

[19] Monitoring and reevaluation of accredited institutions and programs, 34 C.F.R. §602.19 (2019), https://www.ecfr.gov/current/title-34/subtitle-B/chapter-VI/part-602/subpart-B/subject-group-ECFR941656d458ef3eb/section-602.19.

significant at the 6-digit level. In order to overcome the challenges of privacy suppression while still maintaining student privacy, the Department should broaden measurement slightly to include multiple academic programs that fall within the same credential level and category of program.

Question 5. *Should the Department produce only a single low-financial-value program list, separate lists by credential level, or use some other breakdown such as one for graduate and another for undergraduate programs?*

While the list should only be in supplement to other existing public dissemination avenues, as we address in question seven, given the sheer diversity of postsecondary programs from undergraduate through graduate and from certificates to multi-year credential programs, the Department should have several low-financial-value program lists. These lists should be organized and searchable in a way that is easy for a student to drill down into the factors that matter most to them including: school name; program type; zip code; institutional sector; and state. The Department should also consumer test any list presentation to make sure it functions appropriately to meet students' needs.

Data Elements

As with any analysis that is trying to determine an outcome, identifying what data are missing and necessary and which need to be improved is a crucial step. Though the Department can work with existing programmatic data to determine low-financial-value programs, there are opportunities to improve that analysis and to collect important data that will help students, taxpayers, and policymakers further understand the value of a credential.

Question 6. *What additional data could the Department collect that would substantially improve our ability to provide accurate data for the public to help understand the value being created by the program? Please comment on the value of the new metrics relative to the burden institutions would face in reporting information to the Department.*

Default and repayment. Given the payment pause on student loans, current default rate data are and will be meaningless for years. The new IDR regulations will also muddle default further as more borrowers will have lower payments and many who struggle to repay will be automatically enrolled in an IDR plan, decreasing rates of default across the board. Institutions have already learned ways to game the CDR to rarely get ensnared, making it a difficult accountability and value measure in the first place.[20] The Department needs to re-envision how to understand default and how it could be used to flag low-value programs and institutions.

Similarly, any use of repayment rates also needs further analysis from the Department to determine best steps forward. The new REPAYE plan threshold of 225 percent of the poverty guideline is equivalent to a $15 minimum wage of a household of one and is close to the national

[20] U.S. Government Accountability Office, *Federal Student Loans: Actions Needed to Improve Oversight of Schools' Default Rates*, GAO-18-163 (Washington, DC, 2018), accessed February 9, 2023, https://www.gao.gov/products/gao-18-163.

median wage for a household of four.[21] By design, the Department has created a plan so that moderate to middle income borrowers will pay less of their loans back, making it a challenge to determine what repayment rate would indicate a large proportion of borrowers is truly struggling to repay their loans due to an education that didn't pay off.

Better earnings data. Using GE to determine low-value programs will help establish an absolute floor for programs to pass. The overwhelming majority of postsecondary programs will pass this benchmark, yet many programs may not offer a good return to students and taxpayers. One way to establish causality of a credential—that the credential meaningfully improved the economic conditions of the student—is to measure each student's earnings before entering the program and then his or her earnings after completion of the program. The Department already matches students with IRS data to capture their income. The Department could then publish median earnings for students who were working full-time before enrollment and median earnings for the same students after they exited school.

Additionally, the Postsecondary Data Collaborative, a nonpartisan coalition of organizations committed to the use of high-quality postsecondary data, recently recommended that the Department improve earnings measures by using an exit cohort and separately report earnings for students who do not complete a credential (New America is a member of the collaborative).[22] Understanding the earnings of those who don't complete along with retention and completion numbers is also fundamental to understanding value.

Net tuition paid by students. While the Department has some data on net price of colleges overall, and by particular income bands, it does not collect data on the actual tuition amount paid. Data on tuition paid could shed light on the amounts students pay over the course of their programs. Many institutions front-load their financial aid packages as a technique to enroll students with a lower price.[23] Then once the student enters, the next year their financial aid package is less generous, putting an increased and often unanticipated burden on the student. There is also very little known about the tuition paid to graduate programs. Given that approximately 40 percent of federal student loans go to graduate students every year, it's in the Department's best interest to understand exactly how that money flows to programs.[24]

Net tuition relative to earnings will be an important measure moving forward given the generosity of the new REPAYE plan. Even though debt will be more affordable, IDR cannot

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[21] According to the U.S. Census Bureau, the median household wage in 2021 was around $71,000 (https://www.census.gov/library/publications/2022/demo/p60-276.html). Meanwhile 225 percent of the 2021 poverty guidelines for a family of four was $59,625 (https://aspe.hhs.gov/2021-poverty-guidelines).

[22] Letter to Dr. Erin Velez, Education Research Analyst, RTI International from the Postsecondary Data Collaborative on improving the U.S. Department of Education's College Scorecard, May 5, 2022, https://files.constantcontact.com/5cb22ea8401/6e81b3a4-6848-4ed3-b893-9d9b900e13f1.pdf?rdr=true.

[23] Laura Beamer, "How Schools Lie," Phenomenal World (Blog), September 1, 2021, https://www.phenomenalworld.org/analysis/how-schools-lie/.

[24] Adam Looney, "Biden is Right: A Lot of Students at Elite Schools Have Student Debt," Brookings Institute, March 3, 2021, https://www.brookings.edu/opinions/biden-is-right-a-lot-of-students-at-elite-schools-have-student-debt/.

ensure borrowers will fully recoup the cost of their education, particularly given the time and personal financial investment they've put into postsecondary education. The new plan may shift costs of low-value programs onto taxpayers as well through debt forgiveness.

Distance education. The Postsecondary Data Collaborative recently submitted a letter to the Department regarding an information collection request for the National Student Loan Data System (NSLDS). In that letter, the collaborative recommended adding a new field to NSLDS around distance education, using the definitions from IPEDS. This field would distinguish whether each student is enrolled exclusively online, exclusively in-person, or as a hybrid student.[25] New America also encourages this data collection under this RFI. This addition would provide policymakers with timely, responsive data to inform investments in higher education and better target interventions. It would also help determine the value of different modalities of postsecondary education programs.

PLUS loan default and repayment information. Little information is known about the outcomes of Parent PLUS, graduate loan, and Graduate PLUS borrowers. What information we do know is mostly published through the College Scorecard. The Department must publish repayment, delinquency, and default information related to these loans by program and by institution. Parent PLUS loans pose a particular data collection challenge—they enter repayment immediately making it challenging to construct appropriate cohorts. The Department should explore longer time horizons for reporting Parent PLUS repayment and default information to fully capture borrower experiences. Parent PLUS loans should not be an afterthought in the value conversation since they put families into inter-generational debt.

Public Dissemination

Disseminating information, especially in our complex higher education system, is always a challenge. The Department must consider many avenues for distribution that will meet students where they are and at the time they make enrollment decisions. Importantly, the low-financial-value list shouldn't be solely informational, putting the burden on students and families to be "buyer beware." Instead, the Department must explore ways to hold institutions accountable for having low-financial-value programs beyond disclosures and improvement plans.

Question 7. *What are the best ways to make sure that institutions and students are aware of this information?*

Public Transparency. The list and data file developed must have its own, easily accessible website similar to or integrated with the College Scorecard. The development must undergo consumer testing to ensure it is user-friendly. Along with the development of a specialized site, the Department should craft a strategic dissemination plan that targets k-12 schools, high school advisors, college access counselors, libraries, community centers, and colleges and universities—all places that students and families regularly come into contact with and where they can receive this information. This list is not exhaustive.

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[25] Letter to the U.S. Department of Education for OMB Control #1845-0035, ICR Reference # 202208-1845-005 submitted on behalf of the Postsecondary Data Collaborative, December 7, 2022.

Students can be a challenge to reach, so we encourage the Department to look beyond a standalone list to disseminate the information. For example, the Department could put low-financial-value flags or designations on the College Scorecard. The Department should also work with the Departments of Defense and Veterans Affairs and the Consumer Financial Protection Bureau to ensure that college search tools housed by these agencies also have the appropriate flags. The Department should also consider including the information on FAFSA and through the College Finance Plan, but we understand this may present a challenge given that students don't indicate program of study on the FAFSA and institutions may not necessarily know the students' program of study upon enrollment. The admissions website for the program should also include a disclaimer. Lastly, if the Department requires a signed attestation from a student that he or she is enrolling in a low-value program, the Department must make clear that such an attestation would not prevent the student from filing a borrower defense to repayment claim in the future if the institution engaged in misrepresentations.

Institutional accountability. Transparency to the public, taxpayers, and policymakers is important. All stakeholders have a right to information about programmatic outcomes, whether it be for enrollment purposes in the case of students or funding and subsidy purposes for taxpayers and policymakers. However, transparency does not go far enough for the front-end gatekeeping needed to protect students and to safeguard taxpayer dollars. At the very least, disclosures put too much onus on the student to navigate a complex higher education system where the right information is hard to distribute in a meaningful format at the correct moment during their enrollment process. And while an improvement plan is a step in the right direction to get institutions to consider and respond to poor outcomes, it is unclear that this plan wouldn't just be performative and, therefore, meaningless.

We recommend that the Department use its statutory authority regarding Secretarial recognition of accrediting agencies to make the low-financial-value list more consequential. As the Department is poised to regulate accreditation this fall, we urge the Department to include regulatory changes to the recognition process that would mandate an accreditation review of those institutions that have low-financial-value programs.