COUNCIL OF GRADUATE SCHOOLS
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June 20, 2023

Secretary Miguel Cardona
U.S. Department of Education
400 Maryland Avenue, S.W.
Washington, D.C. 20202

RE: Docket IF ED-2023-OPE-0089

Dear Secretary Cardona:

On behalf of the Council of Graduate Schools (CGS), I would like to thank the U.S. Department of Education (Department) for the opportunity to submit comments in response to the Notice of Proposed Rulemaking (NPRM) on ***Financial Value Transparency and Gainful Employment (GE), Financial Responsibility, Administrative Capability, Certification Procedures, Ability to Benefit (ATB).*** In addition to our own comments, CGS supports the comments submitted by the American Council on Education and the broader higher education community.

For over 60 years, CGS has served as the national organization dedicated to advancing graduate education and research. Our membership includes almost 500 institutions of higher education in the United States, Canada, and abroad representing over 1.8 million graduate students. Collectively, our members grant 87 percent of all U.S. doctorates and majority of U.S. master's degrees. As an association, we are proud to represent a diverse and dynamic group of higher education institutions ranging from public and private research-intensive institutions to regional comprehensive institutions, Minority-Serving Institutions, Hispanic-Serving Institutions, and Historically Black Colleges and Universities.

U.S. graduate education is the crown jewel of the American system of higher education, attracting top domestic and international students by creating dynamic programs that foster scholarship, research, and scientific discovery. Current and future leaders in a variety of academic disciplines are educated at the nation's graduate schools. Indeed, a graduate degree -- whether it be a master's, professional, or doctoral degree – is a private benefit for the individual and a public good for the community. As we all know, people with graduate degrees are critical to the success of the U.S. workforce, economy, innovation ecosystem, and the health and wellbeing of our local communities. The CGS member-institutions are proud of the high-quality graduate education programs we provide to our students.

Since the start of the administration, President Biden and the U.S. Department of Education has made the issue of student loan debt and repayment a high priority, for which you are to be commended. The CGS membership especially appreciates the Student Loan Forgiveness Plan and the overhaul of the Public Service Loan Forgiveness program.

Financial Value Transparency for Non-GE Programs

In February 2023, CGS submitted comments in response to the Request for Information Regarding Public Transparency for Low-Financial Value Postsecondary Programs. In our comments, we recognized the importance of institutions providing prospective and current graduate students with information about the cost of a degree program. But we also expressed concern about the Department's ability to determine the appropriate metrics

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and methodology to use to identify low-financial-value programs. As we said in our comment letter, "it is questionable if there is a set of metrics that captures the relevant information the Department is seeking to use to identify low-financial-value programs."

In response to the proposed regulatory changes in this NPRM, CGS once again recognizes and appreciates the Biden Administration's interest in ensuring that students receive a quality education that will allow them to be successful in their future endeavors. However, CGS has several concerns about the proposed regulatory changes. In the NPRM, the Department proposes the use of two metrics for financial transparency and gainful employment. The first metric, the debt-to-earnings ratio (D/E) would require debt payments to be no more than 8-percent of annual earnings or 20-percent of discretionary earnings. The second metric, the Earnings Premium Test (EP) measures whether the typical graduate that received Federal aid is earning at least as much as a high school graduate in their state between the ages of 25-34. CGS and its member institutions are specifically concerned about the application of these two metrics for non-gainful employment programs (non-GE) at all institutions. It is our understanding that the use of these metrics for all programs at all institutions was not discussed at last year's Institutional and Programmatic Eligibility Committee. So, there was no discussion about the potential impact of applying these metrics to all types of programs, including graduate programs. CGS is also concerned about the categorization of programs should they fail to meet these metrics. If a program fails to meet these metrics, then the program will be categorized as "high-debt-burden" if the discretionary debt-to-earnings ratio (D/E) is greater than 20-percent and their annual D/E ratio exceeds 8-percent. Programs will be categorized as "low earning" if their earnings premium is negative or zero. Given the significance of this proposed regulatory change, it would have been prudent for the Institutional and Programmatic Eligibility Committee to have discussed this proposed idea last year.

Institutional Reporting Requirements and Student Disclosure Acknowledgements

The NPRM expands reporting requirements from only GE-programs to non-GE programs for all programs at all institutions of higher education. As a result, institutions will be required to report the following: D/E rates, earnings premiums, withdrawal rates, and completion rates for all programs; retroactively report data for all programs; and report student acknowledgements for non-GE programs. For non-GE programs that have a high-debt-burden for the year in which the D/E rates were most recently calculated by the Department, students will be required to acknowledge the viewing of these informational disclosures prior to receiving title IV-HEA funds. In the NPRM, the Department asks if "the acknowledgment requirements should apply to all programs, or to GE programs, or some subset of non-GE programs that are low earning." In response to this question, CGS suggests that the Department and the stakeholder community should discuss the application of the D/E and earnings premium metrics to all programs at all institutions before addressing the issue of student disclosure acknowledgements. It should also be noted that the required reporting of data will result in significant administrative costs that may be burdensome to institutions, especially under-resourced institutions.

In addition to the abovementioned disclosure information, the NPRM proposes that institutions report an exhaustive amount of data to the Department that will be posted on the disclosure website. For each title IV-HEA recipient, the NPRM proposes a host of data points that will need to be reported by the institution to the Department, including: (1) program costs (i.e., tuition and fees, books, and supplies); (2) non-Federal grant aid and loan burden; (3) earning of program completers/graduates; (5) any applicable occupational and licensing requirements; and (6) licensure exam passage rates. In addition, there is another set of data points that will be required to be reported for students who completed or withdrew from the program and ever received title IV-HEA funds. While CGS appreciates the administration's interest in providing this information and data to prospective students before they enroll, register, or make a financial commitment, we have serious concerns about the value of the collection and submission of this data, as well as the administrative costs. Moreover, it is

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our understanding that the collection of this exhaustive amount of data and information was not addressed at last year's Institutional and Programmatic Eligibility Committee.

In addition to the abovementioned issues, CGS is also concerned about proposed regulatory language to section 498 of the HEA. The NPRM proposes new language that allows the Secretary of Education to consider the following factors when determining the certification of an institution's title IV HEA status: (1) the institutions withdrawal rate; (2) D/E rates of programs offered by institutions; (3) Earning Premium measures; (4) the amount the institution spent on instruction, academic support, support services, amount spent on recruiting, and other pre-enrollment expenditures; and the licensure pass rate of programs offered by the institution. This proposed language gives the Department a heightened level of authority to decide to deny an entire institution's certification to title IV funding based off these factors. Given the significance of this proposed regulatory change, this should have been an issue addressed by the Institutional and Programmatic Eligibility Committee.

Again, thank you for the opportunity to submit comments on the NPRM on Financial Value Transparency and Gainful Employment (GE), Financial Responsibility, Administrative Capability, Certification Procedures, Ability to Benefit (ATB). If you have any questions about our comments, please contact Ms. Amy Scott at amscott@cgs.nche.edu.

Sincerely,

Suzanne T. Ortega

Suzanne T. Ortega
President