

May 20, 2026

The Honorable Linda McMahon
Secretary of Education
U.S. Department of Education
400 Maryland Ave., SW
Washington, D.C. 20202

Submitted electronically

Re: Docket ID: [ED-2026-OPE-0100](#)

CC: Nicholas Kent, Under Secretary, U.S. Department of Education

Dear Secretary McMahon,

Thank you for the opportunity to submit comments regarding the U.S. Department of Education’s (ED) proposed regulations related to higher education transparency and accountability. The Institute for Higher Education Policy (IHEP) is a nonpartisan, nonprofit research, policy, and advocacy organization. We believe that all people—regardless of background—should have the opportunity to participate and succeed in postsecondary education and beyond. We lead the [Postsecondary Data Collaborative](#) (PostsecData), a nonpartisan coalition of organizations committed to using high-quality postsecondary data to improve student success and advance strong outcomes for all students.

By implementing the earnings-based accountability framework in the One Big Beautiful Bill Act (OBBBA), these proposed regulations take an important step toward ensuring that higher education provides strong outcomes for students. The regulations include an earnings premium test that assesses whether students are, on average, better or worse off after having attended a given program. For undergraduate degree programs, the median earnings of students who complete will be compared to the median earnings of high school graduates. For graduate certificate and degree programs, the median earnings of completers will be compared to the median earnings of bachelor’s degree recipients. If a program fails the earnings premium test for two years in a three-year period, it can no longer offer federal loans to its students. By tying federal loan eligibility to a minimum standard for program graduates’ outcomes, the earnings premium test creates incentives for institutions to ensure their programs leave students better off. We support these regulations and this comment provides suggestions on several ways they can be strengthened.

The proposed regulations also include key provisions around higher education transparency. Program-level information is essential for students navigating their postsecondary education options, where costs and outcomes can vary substantially across programs and institutions. Clear, comprehensive, and comparable program-level data also support institutional improvement and evidence-based policymaking, which can ultimately help students reap greater benefits from their postsecondary investments.

Below, we provide the following detailed recommendations for ED:

1. Maintain the Student Tuition and Transparency System (STATS) in the final regulations, which would enable new insights on program costs and outcomes
2. Reinstate reporting on the cumulative loan debt students owe their institutions
3. Strengthen student warnings when programs fail the earnings premium measure
4. Integrate the program-level metrics from STATS with the College Scorecard to provide a one-stop resource for prospective and enrolled students
5. Ensure smooth and timely implementation of STATS and publish the program-level data that institutions have already reported
6. Maintain the consistent application of the minimum earnings test to all programs, including undergraduate certificate programs
7. Reinstate the loss of all Title IV aid as a consequence for GE programs failing the earnings premium metric
8. Modify the aggregation method for small programs to ensure programs are held accountable for their own outcomes
9. Maintain the limited appeals process for only instances of error in calculation by the Secretary

Additionally, we respond below to a directed question and provide a technical correction.

Response to the directed question on the proposed earnings definition:

General Definitions: Earnings (§ 668.2(b))

We support the proposed earnings definition and recommend that it be maintained in the final regulations. Specifically, we support ED’s reliance on earnings data from a federal agency, such as the Internal Revenue Service (IRS). IRS data are already used in existing federal processes, such as the College Scorecard and FAFSA, and provide a consistent, reliable, and standardized measure of earnings across the country. As stated in the NPRM, “No other form of survey or reporting will result in greater accuracy than the income tax reporting process, which has a built-in oversight and enforcement apparatus and involves significant legal penalties for failing to accurately report earned income” (p. 21090).

Although concerns have been raised about tipped income, employees are legally required to report all taxable income, including tips. [Research](#) has shown that the estimated percentage of unreported tipped income among cosmetologists and other personal services fields is only eight

percent. Moreover, a new policy adopted in the OBBBA will remove taxes on tips, reducing incentives for workers to leave tipped income unreported.¹

Furthermore, we support the proposed appeals process, which is limited to cases where institutions believe ED erred in its calculation of the earnings premium measure. ED should not allow institutions to submit alternative earnings data in place of the IRS earnings data. As noted in the NPRM (p. 21114), ED's past experiences with the earnings appeal process under the 2014 GE rule did not demonstrate that substituted sources of data used in appeals improved the quality of earnings information available to determine program eligibility. As noted above, IRS data remains the most accurate source of earnings information.

To support transparency, accountability, and informed decision-making by students and families, we urge ED to:

1) Maintain the STATS framework as proposed in the NPRM.

The proposed rule largely maintains the [existing](#) Financial Value Transparency (FVT) framework as STATS. The FVT regulations have been [broadly supported](#) by field leaders, including [PostsecData](#). Under STATS, institutions would report data on their programs and students enrolled in those programs, as colleges have already been doing for FVT. ED would then combine the data reported by institutions with data from its administrative systems and other federal agencies to calculate a set of program-level metrics, including costs, program length, student debt, student earnings after graduation, and an earnings premium measure that evaluates whether program graduates are likely to earn more than a high school graduate (for undergraduate programs) or bachelor's degree recipients (for graduate programs).

STATS would enable program-level insights that are unavailable through existing ED data sources, such as the College Scorecard and the Integrated Postsecondary Education Data System (IPEDS).² For the first time, students, policymakers, and institutions would have a much better understanding of the costs and outcomes of programs across the country.

The proposed regulations include a new requirement for institutions to report grants and scholarships received annually and for the duration of each student's enrollment in the program. Program-level cost and grant aid data would allow ED to calculate more detailed and precise net prices by program, giving students a clearer picture of their out-of-pocket costs for

¹ Sec. 70201 of the One Big Beautiful Bill Act. This provision will apply to fields in the culinary arts, cosmetology, and massage therapy, among others, according to guidance from the Internal Revenue Service, available at <https://www.irs.gov/forms-pubs/occupations-that-customarily-and-regularly-received-tips-on-or-before-december-31-2024>. The benefit is structured as a deduction and must be claimed by reporting the tipped income amount on workers' tax filings.

² Institutions currently do not report program-level cost data for all of their programs to IPEDS. Only a subset of colleges report program-level cost data to IPEDS, and only for their six largest programs.

pursuing a particular educational pathway. Notably, the proposed regulations would also require ED to calculate a new program-level measure on the median time to completion, which fills a major gap in publicly available data on how long students take to finish their credentials. We urge ED to retain these STATS provisions in the final regulations.

2) Reinstate reporting on the cumulative loan debt students owe their institutions.

We urge ED to reinstate reporting on the cumulative loan debt students owe their institutions that was deleted in §668.406. The proposed rule would require institutions to report annual private loan disbursements, including institutional debt, but removes the requirement to report the total institutional debt students owe after completing or withdrawing from their program. That reporting was part of the FVT framework and should be added to STATS in the final regulations. ED stated during negotiated rulemaking that removing this element was intended to reduce institutional burden. However, the proposed regulations still require reporting institutional grant aid. Adding institutional loan data would not meaningfully increase burden and is just as critical for understanding students' true costs.

Reinstating this reporting would improve transparency for students and the public. Cumulative debt reflects the total amount students borrow for the entire program. ED will be able to include federal and private loan amounts in that total, but not institutional loan amounts. Without data on cumulative institutional debt, policymakers, researchers, and students cannot accurately assess the true cost of completing (or attempting) a program.

Proposed language to add to the list under §668.406(a)(3):

The total amount of institutional debt the student owes any party after completing or withdrawing from the program;

3) Strengthen student warnings to ensure that students are aware when programs fail the earnings premium measure.

Beyond the general benefits of improved transparency, it is essential to provide information about program outcomes to students when they are making real-time decisions about which program to attend. If a program fails the earnings premium metric, current and prospective students should be notified before they sign an enrollment agreement, complete registration, make a financial commitment to the institution, and receive federal financial aid. Evidence from the new Free Application for Federal Student Aid (FAFSA) low-earnings indicator demonstrates how warnings at key decision points can inform student behavior. Between December 2025 and March 2026, ED found that [about 25 percent](#) of students presented with the low earnings flag removed that school from the FAFSA and updated their form with another school.

There are two ways that student warnings should be strengthened in the final regulation.

In §668.605 of the proposed regulations, colleges would be required to warn current and prospective students about programs that may become ineligible for the Federal Direct Loan program after they have failed the earnings premium measure. We support this requirement and recommend clarifying in §668.605(c)(3) that the acknowledgment must be an “active acknowledgment,” not merely a read receipt on an email. Students should be required to demonstrate that they opened and reviewed the warning by electronically signing or otherwise actively acknowledging that their program could become ineligible for Direct Loans due to its earnings outcomes.

Proposed revisions to §668.605(c)(3):

(c) Content of warning. The institution must provide in the warning—

(3) A statement that the student must actively acknowledge having viewed the warning before the institution may disburse any title IV, HEA funds to the student; and

Additionally, we recommend that ED administer and collect student acknowledgments for all programs that fail the earnings premium metric, similar to the requirements in the existing regulations. That section (§668.407 in the existing regulations) was deleted in the proposed rules. Restoring this requirement in the final regulations will ensure that students receive clear and complete information on program outcomes, before they receive federal financial aid.

Proposed language to reinstate the requirement for ED to administer student acknowledgments:

Student acknowledgments.

(a) If an eligible program has failed to meet the earnings premium measure, the Secretary notifies the institution under § 668.405(b)(#)³ that student acknowledgments are required for such program in the manner specified in this section.

(b)

(1) If student acknowledgements are required, prospective students must acknowledge that they have viewed the information provided through the program information website established and maintained by the Secretary described in § 668.43(d).

(2) The Department will administer and collect the acknowledgment from students through the program information website.

(3) Prospective students must provide such acknowledgments until:

(i) The Secretary notifies the institution pursuant to § 668.405 that the program has passed the earnings premium measure; or

(ii) Three years after the institution was last notified that the program had failed the earnings premium measure, whichever is earlier.

(c)

³ This reference should point to the notice of determination indicating whether the student acknowledgment is required. That provision (§668.406(b)(4) in the existing regulations) was deleted in the proposed regulations and should be added back.

- (1) A prospective student must provide the acknowledgment before the institution enters into an agreement to enroll the student.
- (2) The Secretary monitors the institution's compliance with the requirements in paragraph (c)(1) of this section through audits, program reviews, or other investigations.
- (d) The acknowledgment required in paragraph (c)(1) of this section does not mitigate the institution's responsibility to provide accurate information to students concerning program status, nor will it be considered as dispositive evidence against a student's claim if applying for a loan discharge.

We also urge ED to add to the notice of determination whether student acknowledgments are required, under §668.405(b). That provision (§668.406(b)(4) in the existing regulations) was deleted in the proposed regulations and should be added back.

4) Integrate the program-level metrics from STATS with the College Scorecard to provide a one-stop resource for prospective and enrolled students.

To make the data more accessible to students and families, we urge ED to integrate the program-level metrics from STATS with the College Scorecard. Consolidating this consumer information into a single, comprehensive source would create a one-stop shop for program-level data. Since the College Scorecard already includes some program-level metrics, incorporating the STATS program-level metrics would align with the Scorecard's core purpose of serving as a student-centered consumer information tool.

The College Scorecard consumer [webtool](#) should include the program-level metrics that are listed in the proposed regulations for the program information website. ED should conduct consumer testing of the College Scorecard, with a focus on the webtool to ensure that program-level information is clear and accessible for students. All of the program-level metrics calculated from STATS should also be made available in a downloadable file and application processing interface (API), like the current processes for College Scorecard data, and updated annually.

In the current regulations, the program information website is integral to ED's ability to administer and collect student acknowledgments for failing programs. Above, we recommend reinstating that requirement around student acknowledgments. If that requirement is not reinstated, we recommend that ED streamline processes by publishing the program-level metrics on the College Scorecard in lieu of creating a separate program information website. This would avoid unnecessary confusion and duplication of information on multiple websites. In this case, institutions should be required to link to the program-level data in the College Scorecard, in place of the program information website, on any webpage containing cost, financial aid, and admissions information about the program and institution. The student warnings should provide links to the program-level data on the College Scorecard, instead of the program information website.

In either case, the College Scorecard webtool should prioritize the following program-level data elements and make the other data available in a downloadable file:

- The total number of individuals enrolled in the program during the most recently completed award year
- Published length of the program in calendar time
- The median length of calendar time taken for full-time and less-than-full-time students to complete the program's academic requirements and obtain the degree or credential awarded by the program
- The total cost of tuition and fees, and the total cost of books, supplies, and equipment that a student would incur for completing the program within the published length of the program, as well as the total net cost of attendance paid by students completing the program
- The program's completion and withdrawal rates for full-time and part-time students
- Of the individuals enrolled in the program during the most recently completed award year, the percentage who received a Direct Loan, a private loan, or both
- The median loan debt of students who completed the program during the most recently completed award year or for all students who completed or withdrew from the program during that award year
- The median earnings of students who completed the program, which are used to calculate the earnings premium measure
- Whether the program passes or fails the earnings premium measure, or if the earnings premium cannot be calculated
- Whether the program is programmatically accredited and the name of the accrediting agency

5) Ensure smooth and timely implementation of STATS and publish the FVT data that institutions have already reported.

We appreciate ED's continued commitment to collect program-level data and urge ED to ensure the smooth and timely implementation of STATS. We encourage ED to provide clear and comprehensive guidance, offer robust support and responsive technical assistance to institutions, and staff a dedicated help desk to promptly respond to institutional inquiries and provide ongoing assistance throughout the reporting process. These actions will facilitate streamlined reporting, enhance institutions' ability to meet reporting deadlines, and contribute to the overall success of STATS. To ensure timely STATS implementation, ED should provide draft lists of program completers to institutions for review and provide data reporting guidance as soon as they are available, with sufficient time for institutions to complete their reporting by the annual deadlines.

Alongside the final regulations, we urge ED to clarify the implementation timeline, including when institutions will be required to report data (under STATS and/or FVT), when institutions will receive their completers lists for review, when ED plans to calculate rates, and when potential consequences for programs will occur. We urge ED to adopt a timeline that ensures uninterrupted reporting and

maintains consistent year-over-year data collection, so that ED will have continuous reporting since the GE/FVT reporting began.

Additionally, ED should publish the program-level data that colleges have already reported. As part of the FVT framework, colleges were required to report two years of program-level cost and financial aid data to ED by October 1, 2025. Those data have not yet been made public. To provide greater transparency, we urge ED to release those program-level metrics as soon as possible, while ensuring data quality.

6) Maintain the consistent application of the minimum earnings test to all programs, including undergraduate certificate programs.

We support the proposed rule's application of outcomes-based accountability to all programs, including undergraduate certificate programs. Pursuing a college degree or credential should translate to increased earnings and greater social mobility. Unfortunately, some programs consistently leave students worse off than if they had never attended. Undergraduate certificate programs pose the greatest risks to students, compared to other credential levels. ED estimates that 25.5 percent of students attending undergraduate certificate programs are attending programs that would fail the earnings premium metric in the proposed regulations, compared to 4.1 percent of students attending associate's degree programs and 0.8 percent of students attending bachelor's degree programs. We agree with ED's rationale that rescinding the existing GE framework and consequently excluding undergraduate certificate programs from accountability "would contradict Congressional intent for program accountability in higher education" and "would put students and taxpayers at increased risk" (p. 21182).

7) Reinstate the loss of all Title IV aid as a consequence for GE programs failing the earnings premium metric.

Under the proposed regulations, programs lose eligibility for the Direct Loan program if they fail the earnings premium measure for two out of three consecutive award years. We urge ED to expand that consequence to include the loss of all Title IV aid eligibility, including Pell Grants, for GE programs, as required by statute. Currently, students are limited to a lifetime Pell Grant eligibility equivalent to roughly 12 semesters or six years. Once students reach that limit, they are no longer eligible to receive additional Pell Grant funding. Students should not spend their valuable and limited Pell Grant dollars on programs that consistently leave students worse off than if they had never attended.

While we appreciate the proposed provisions around administrative capability that would terminate Title IV funds for low-earning programs, that provision applies only if more than half of the school's Title IV recipients or Title IV volume are tied to programs that fail the earnings premium test in two out of any three consecutive years. That provision will still leave many students in low-value

programs wasting their limited Pell Grant eligibility. Given that, ED should strengthen accountability even further by tying the earnings premium for GE programs to eligibility for all Title IV funds.

8) Modify the aggregation method for small programs to ensure programs are held accountable for their own outcomes.

The proposed regulations include a complex process for aggregating data for programs with fewer than 30 completers in a single year. First, up to five years of data will be combined for programs defined at the 6-digit CIP level. Then, up to five years of data will be combined for programs at the 4-digit CIP level, and finally, up to five years of data will be combined for programs at the 2-digit CIP level.

Rolling small programs into broader CIP4 and CIP2 categories risks masking meaningful differences in program outcomes and could unfairly attribute the earnings of unrelated programs to specific small programs. Recent [research](#) by the PEER Center found that 70 percent of undergraduate certificate programs grouped at the CIP4 level and composed of at least two CIP6 fields have a gap between the lowest- and highest-earning CIP6 underlying programs of \$10,000 per year or more. Grouping those programs together could cause lower earning programs to pass, if their earnings are masked by higher-earning programs within the same CIP4 level, or vice versa. This means that programs can pass or fail the earnings premium metric not just based on their outcomes, but because of their size and whether they are aggregated with other programs.

Though the statute suggests ED aggregate across “educational programs of equivalent length” when “additional years of programmatic data” do not reach 30 completers, the statute does not specify that ED must do so in all cases, mandate how ED should combine programs, or require that all programs must have earnings data produced. As a result, ED maintains considerable operational flexibility, including the discretion to decline to combine programs when doing so would create methodological or policy concerns.

We urge ED to modify the aggregation for small programs in § 668.2(b) to only combine cohort years within the same 6-digit CIP code, rather than combining programs across broader CIP levels such as CIP4 or CIP2. This approach ensures that programs are held accountable for their own outcomes, rather than the outcomes of other programs. There is only marginal benefit to aggregating to the 4-digit or 2-digit CIP code level. ED [estimates](#) that aggregating across years alone would cover 84 percent of Title IV completers in undergraduate certificate programs. Aggregating programs to the 4-digit CIP level would cover 88 percent of completers, which is only a small expansion in coverage. In the proposed revisions to the definition of cohort period below, we recommend removing references to aggregating programs across the 4-digit and 2-digit CIP codes.

Proposed revisions to the definition of “cohort period” in § 668.2(b):

Cohort period. The set of award years used to identify a cohort of students who completed a program and whose earnings outcomes are used to calculate the earnings premium measure

under subpart Q of this part. The Secretary uses a single-year cohort period to calculate the earnings premium measure for a program when the number of students (after exclusions identified in § 668.403(c)) in the single-year cohort period is 30 or more. The Secretary sequentially expands the cohort period when the number of students completing the program in the single year cohort period is fewer than 30. The cohort period includes award years that are—

(1) For the single-year cohort period, the fourth award year prior to the year for which the most recent data is available from the Federal agency with earnings data at the time the earnings premium measure is calculated, pursuant to § 668.403.

(2) For the expanded cohort period, the Secretary will sequentially add prior award year data to the single-year cohort in the following order until the cohort equals or exceeds 30 students (unless the Secretary determines the data is unreliable, in which case the cohort size may be increased until the Secretary determines the data is statistically reliable)—

(i) Sequential prior award years within the same program—

(A) The fifth award year prior to the year for which the most recent data is available from the Federal agency with earnings data at the time the earnings premium measure is calculated, pursuant to § 668.403;

(B) The sixth award year prior to the year for which the most recent data is available from the Federal agency with earnings data at the time the earnings premium measure is calculated, pursuant to § 668.403;

(C) The seventh award year prior to the year for which the most recent data is available from the Federal agency with earnings data at the time the earnings premium measure is calculated, pursuant to § 668.403;

(D) The eighth award year prior to the year for which the most recent data is available from the Federal agency with earnings data at the time the earnings premium measure is calculated, pursuant to § 668.403;

~~(ii) Sequential award years for all programs within the same 4-digit CIP code and credential level—~~

~~(A) The fourth award year prior to the year for which the most recent data is available from the Federal agency with earnings data at the time the earnings premium measure is calculated, pursuant to § 668.403;~~

~~(B) The fifth award year prior to the year for which the most recent data is available from the Federal agency with earnings data at the time the earnings premium measure is calculated, pursuant to § 668.403;~~

~~(C) The sixth award year prior to the year for which the most recent data is available from the Federal agency with earnings data at the time the earnings premium measure is calculated, pursuant to § 668.403;~~

~~(D) The seventh award year prior to the year for which the most recent data is available from the Federal agency with earnings data at the time the earnings premium measure is calculated, pursuant to § 668.403;~~

~~(E) The eighth award year prior to the year for which the most recent data is available from the Federal agency with earnings data at the time the earnings premium measure is calculated, pursuant to § 668.403;~~

~~(iii) Sequential award years for all programs within the same 2-digit CIP code and credential level—~~

~~(A) The fourth award year prior to the year for which the most recent data is available from the Federal agency with earnings data at the time the earnings premium measure is calculated, pursuant to § 668.403;~~

~~(B) The fifth award year prior to the year for which the most recent data is available from the Federal agency with earnings data at the time the earnings premium measure is calculated, pursuant to § 668.403;~~

~~(C) The sixth award year prior to the year for which the most recent data is available from the Federal agency with earnings data at the time the earnings premium measure is calculated, pursuant to § 668.403;~~

~~(D) The seventh award year prior to the year for which the most recent data is available from the Federal agency with earnings data at the time the earnings premium measure is calculated, pursuant to § 668.403;~~

~~(E) The eighth award year prior to the year for which the most recent data is available from the Federal agency with earnings data at the time the earnings premium measure is calculated, pursuant to § 668.403.~~

9) Maintain the limited appeals process for only instances of error in calculation by the Secretary.

As mentioned in our response to the directed question, we support the proposed appeals process, which is limited to cases where institutions believe ED erred in its calculation of the earnings premium measure. In the final regulations, ED should not allow institutions to submit alternative earnings data in place of the IRS earnings data. As noted in the NPRM (p. 21114), ED's past experiences with the earnings appeal process under the 2014 GE rule did not demonstrate that substituted sources of data used in appeals improved the quality of earnings information available to determine program eligibility. IRS data remains the most accurate source of earnings information.

10) Technical correction in 668.605(f)

We recommend the following technical correction to §668.605 (Student Warnings)

(f) Acknowledgment prior to enrollment and disbursement. An institution may not allow a prospective student seeking title IV, HEA assistance to sign an enrollment agreement, complete registration, or make a financial commitment to the institution, or disburse title IV, HEA funds to the student until the student or prospective student completes the acknowledgment described in paragraph ~~(b)(3) (c)(3)~~ of this section.

We commend ED for its commitment to improving transparency and accountability in higher education, and look forward to continued collaboration to improve postsecondary data. For questions about this letter, please contact Jocelyn Salguero, Assistant Director of Policy (jsalguero@ihep.org) at the Institute for Higher Education Policy.

Sincerely,

Institute for Higher Education Policy (IHEP)