



## **Reform of the Gainful Employment Regulations for Single Purpose Trade and Technical Institutions of Higher Education**

Without Congressional intervention before the end of this fiscal year (September 30, 2016) to reform U.S. Department of Education regulations linking student debt to future earnings a majority of institutions of higher education responsible for educating our nation's skilled workforce are at risk of—

- Significant student withdrawals and enrollment declines; and
- A sizeable reduction in the number of programs and institutions providing these in-demand job training programs, resulting in the loss of career opportunities for women and minorities.

The U.S. Department of Education's own estimates suggest that based upon the 2012 GE Informational Debt-to-Earnings (D/E) Rates program results 1,445 programs representing over 841,667 students are likely to be at risk of precipitous program elimination or sanctions resulting in potential student withdrawals following publication of the first GE metrics.

### Table 2.1 – U.S. Department of Education Impact Analysis of Final Regulations

"Table 2.21 illustrates the 2012 GE informational D/E rates program results. This analysis shows that:

- 4,094 programs (74 percent of programs and comprising 67 percent (1,679,616) of the total enrollees) would pass the D/E rates measure.
- 928 programs (17 percent of programs with 453,904 enrollees (18 percent)) would fall into the zone.
- 517 of programs (9 percent of programs with 387,763 enrollees (15 percent)) would fail."

These statistics are troubling enough as our nation continues to fight for our economic recovery and the continued increase in our nation's skilled employment rate. But for a select group of institutions of higher education the circumstances are even more potentially devastating and dire.

The institutions of higher education most at risk are those who are heavily concentrated on a single vocational/occupational discipline (i.e. trade and technical institutions).

### **Regulatory Reform Concept**

Given the overwhelming adverse impact of the regulations on single purpose institutions, many of whom are designed to help achieve the goals and objectives of our state and local employers job vacancies, we urge Congress to provide regulatory relief, from having to meet the gainful employment metrics, for single purpose trade and technical institutions of higher education.

### Definition of A Single Purpose Trade and Technical Institution of Higher Education

An institution of higher education, as defined under Section 101(b) and Section 102 of the Higher Education Act of 1965, as amended, which prepares students for specific trade or technical careers, in which—

- Students enrolled at the institution attend at least 75% of their program of study on campus; and
- The majority of the students are enrolled in the programs identified by the same first four digit CIP code.