



## **GAINFUL EMPLOYMENT**

### **Oppose Department of Education Proposal to Limit Access to College for Lower Income Students and Working Adults**

The U.S. Department of Education is proposing for the first time to fix prices for higher education in such a way as to alter dramatically the philosophical underpinnings of the Higher Education Act by only targeting its proposal at programs that prepare less affluent students for careers and professions without impacting the ability students of substantial means to obtain education/training in these same programs. The Department is attempting to do this not through the normal legislative route (by submitting legislation to Congress so it can obtain a full and fair hearing), but rather by using an obscure regulatory provision it can change without full policy review. The Department has presented no data to demonstrate: 1) the “problem” it wants to solve exists; 2) the approach proposed is justifiable based on widely accepted research; or 3) that they understand or have anticipated in any way the likely dramatic negative impact such a proposal will have on students and workforce training.

**Jobs will be lost; tens of thousands of students will be hurt.** The proposal curtails educational choice and diminishes job prospects in high demand fields by denying prospective students valuable, highly marketable skills. Workers with these degrees are absolutely critical as the nation struggles to cope with the baby boomer retirement and the looming shortage of healthcare workers. Options for these students in other higher education sectors are limited by capacity, especially with state funding cutbacks.

**The proposal is contrary to the nation’s education and workforce goals.** The proposal contradicts the President’s call for America to lead the world with the highest percentage of college graduates and detracts from the ability of Americans to compete in a global workforce. Higher education needs more competition and more capacity to expand access, improve quality, and prepare the 21<sup>st</sup> century workforce, not less. The proposal will disproportionately harm “nontraditional” students, such as the 2.8 million who attend private sector institutions. Seventy-six percent of these students live independently, without parental support. Sixty-three percent are 24 years old or older. Fifty-four percent delayed postsecondary education after high school. Forty-seven percent have dependent children. Almost one-third of these students are single parents.

**Congress has already addressed the student loan debt issue and is considering a further improvement.** Congress has done much over the past few years to ease student loan repayment challenges, including the recently enacted Income Based Repayment Plan, which President Obama has focused on as the correct approach.

**The proposal will lead to educational capacity cutbacks in critically important fields such as nursing and education.** 9% of nurses and 54% of allied health workers who graduated last year were educated at schools impacted by the Department proposal. Cutting nursing program educational capacity at a time when the country faces a dramatic nursing shortage and tens of thousands of applicants are turned away every year from nursing programs makes no sense. The nation's pool of teachers and principals faces similar shortages. Over half of these individuals are members of the baby boomer generation. According to the National Commission on Teaching and America's Future, in less than a decade half of the workforce of current teachers (1.7 million) could be in retirement. Private sector institutions offer 4,800 healthcare programs and over 300 education programs.

**Alternative approaches could lower debt while preserving student options.** An additional enlightened step to prevent excessive loan debt is to lower borrowing limits across programs, basing such limits on tuition and fees and disallowing living expenses. Students often over-borrow, but the government refuses to allow financial aid administrators to limit that practice.

**Higher education institutions of all types oppose the proposal.** During recent sessions organized by the US Department of Education on this issue and thirteen others to develop a consensus on regulatory language, representatives from traditional higher education and private postsecondary education pointed out fundamental flaws in the proposal and the negotiations. Gainful employment was one of five issues which ended in disagreement.

**A better way forward exists.** The Career College Association, representing over 1,400 institutions educating over one million students looks forward to working with Congress and the Department of Education on approaches that preserve student postsecondary access and career choice while assuring that financial aid remains a stepping stone, not a millstone, to full participation in the nation's economic mainstream.

For More Information, Contact Brian Moran, [brianm@career.org](mailto:brianm@career.org), 202 336 6817