Overview of Draft Gainful Employment Regulation
Negotiated Rulemaking Session 2

Metrics	Annual debt-to-earnings Discretionary debt-to-earnings	Program cohort default rate	Loan portfolio repayment performance
Students	Completers only	Completers & non-completers	Completers & non-completers
Categories & thresholds	Pass: aDTE≤8% OR dDTE≤20% Zone: • Not passing AND • 8%<aDTE≤12% OR 20%<dDTE≤30% Fail: aDTE>12% AND dDTE>30%	Pass: pCDR<30% Fail: 30%≤pCDR≤40% Ineligible: pCDR>40%	Pass: Total payments for year on program's loan portfolio ≥ Required interest payments for year Fail: Total payments for year on program's loan portfolio < Required interest payments for year
Ineligibility rules (metrics operate independently of each other, outcome on one metric does not impact outcomes on others)	A program becomes T4 ineligible for 3yrs if: • It fails in any 2 out of 3yrs, OR • Does not pass in any 1 out of 4yrs (time for zone programs to improve before ineligibility)	A program becomes T4 ineligible for 3yrs if: • The 3 year default rate of 3 consecutive cohorts of students is greater than 30%, OR • The 3 year default rate of 1 cohort of students is greater than 40%	A program becomes T4 ineligible for 3yrs if it does not pass in any 2 out of 3 years
Restrictions	• Debt warnings to students if program could become ineligible at the end of the year (applies to zone & failing programs) • T4 enrollment limited to previous year's level for failing programs (does not apply to zone programs)	• Debt warnings to students if program could become ineligible at the end of the year • T4 enrollment limited to previous year's level if program could become ineligible at the end of the year	• Debt warnings to students if program could become ineligible at the end of the year • T4 enrollment limited to previous year's level if program could become ineligible at the end of the year

Existing program certification	For existing programs, institution must sign certification that program is included in institution's accreditation or has received programmatic accreditation if required and that completion of program meets requirements to become employed in the occupation for which the program provides training
New program approval	New programs apply only if the program was deemed ineligible, was a failing or zone program that was voluntarily closed, is in the same "family of CIP" codes as a current or recent failing program, or is the first program within a new category of CIP codes
Student protections	If program could become ineligible at the end of the year, institution must post letter of credit or agree to set aside portion of T4 funds to provide borrower relief to enrolled students if program eventually becomes ineligible
Disclosures	- Occupation - Cost of tuition, fees, books, supplies - Program length - Total enrollment - Completion rate (100 & 150% of program time) - Withdrawal rate (within normal time of program) - Placement rate - Repayment rate (borrower-based) - Median earnings - Median loan debt - Whether licensure requirements are met (if applicable) - Whether program is accredited (if required)

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