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4000-01-U

DEPARTMENT OF EDUCATION

[Docket ID ED-2022-OUS-0140]

Request for Information Regarding Public Transparency for  
Low-financial-value Postsecondary Programs

AGENCY: Office of the Under Secretary, U.S. Department of  
Education.

ACTION: Request for information.

SUMMARY: The U.S. Department of Education (Department) is  
requesting information in the form of written comments that  
may include information, research, and suggestions  
regarding how best to identify low-value postsecondary  
programs. The Office of the Under Secretary solicits these  
comments to identify the best ways to calculate the metrics  
that may be used to identify low-financial-value programs  
and inform technical considerations.

DATES: We must receive your comments on or before [INSERT  
DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL  
REGISTER].

ADDRESSES: Comments must be submitted via the Federal  
eRulemaking Portal at [regulations.gov](https://www.regulations.gov). However, if you

require an accommodation or cannot otherwise submit your comments via regulations.gov, please contact the program contact person listed under FOR FURTHER INFORMATION CONTACT. The Department will not accept comments by fax or by email, or comments submitted after the comment period closes. To ensure that the Department does not receive duplicate copies, please submit your comments only once. Additionally, please include the Docket ID at the top of your comments.

The Department strongly encourages you to submit any comments or attachments in Microsoft Word format. If you must submit a comment in Adobe Portable Document Format (PDF), the Department strongly encourages you to convert the PDF to "print-to-PDF" format, or to use some other commonly used searchable text format. Please do not submit the PDF in a scanned format. Using a print-to-PDF format allows the Department to electronically search and copy certain portions of your submissions to assist in the rulemaking process.

Federal eRulemaking Portal: Go to [www.regulations.gov](http://www.regulations.gov) to submit your comments electronically. Information on using Regulations.gov, including instructions for accessing agency documents, submitting comments, and viewing the docket, is available on the site under "FAQ."

Privacy Note: The Department's policy is to make all comments received from members of the public available for public viewing in their entirety on the Federal eRulemaking Portal at [www.regulations.gov](http://www.regulations.gov). Therefore, commenters should be careful to include in their comments only information that they wish to make publicly available.

FOR FURTHER INFORMATION CONTACT: Mr. Jean-Didier Gaina, U.S. Department of Education, 400 Maryland Ave., SW, Room 2C172, Washington, DC 20202. Telephone: (202) 987-1333. Email: [jean-didier.gaina@ed.gov](mailto:jean-didier.gaina@ed.gov).

If you are deaf, hard of hearing, or have a speech disability and wish to access telecommunications relay services, please dial 7-1-1.

#### SUPPLEMENTARY INFORMATION

##### **I. Background**

For most students, attending a postsecondary education program is a path to upward economic mobility and financial security. On average, completing a postsecondary education credential substantially increases lifetime earnings and reduces the risk of unemployment. In many cases, a college credential leads to a career, such as teaching, that benefits society as a whole.

In an environment where the rise in tuition levels has outpaced the availability of scholarships, student loans

have been an integral tool for delivering these benefits. Millions of students likely would not have been able to cover the upfront price of postsecondary education without Federal student loans.

However, there are many low-financial-value postsecondary programs -- those for which total costs exceed the financial benefits provided to students. Some higher education programs promote goals other than financial returns for students. However, a misalignment of prices charged to financial benefits received may cause particularly acute harm for student loan borrowers who may struggle to repay their debts after discovering too late that their postsecondary programs did not adequately prepare them for the workforce. Taxpayers also shoulder the costs when a substantial number and share of borrowers are unable to successfully repay their loans. The number of borrowers facing challenges related to the repayment of their student loans is significant. Prior to the pause on repayment, interest, and debt collection as part of the response to the COVID-19 pandemic, more than 1 million borrowers defaulted on their student loans each year, and millions more borrowers were behind on their student loan payments. Low-income students, Black students, and other

students of color are more likely to borrow, borrow more, and are more likely to struggle to repay their loans.

Income-driven repayment (IDR) plans have been an important option in recent years to help borrowers manage their monthly payment obligations. These repayment plans cap borrowers' payments at a set share of their income and allow lower-income borrowers a \$0 payment. These plans forgive remaining balances after the equivalent of 20 or 25 years of payments.

Although the affordable monthly payments on IDR plans provide a critical safety net to borrowers, they do not address the underlying problems stemming from the high prices charged by some institutions and low graduation rates across postsecondary education over the last few decades. This includes the presence of too many postsecondary programs that saddle students with levels of debt far out of proportion to the income they earn after leaving their program. Data from the College Scorecard show these problems are especially concentrated among undergraduate certificate programs and graduate programs.

Programs that result in students taking on excessive amounts of debt can make it challenging for students to reach significant life milestones like purchasing a home, starting a family, or saving enough for retirement,

ultimately undermining their ability to climb the economic mobility ladder. Especially for borrowers who attended graduate programs, debt-to-income ratios often rise well above sustainable levels. IDR plans also cannot fully protect borrowers from the consequences of low financial-value programs. For instance, IDR plans cannot give students back the time they invested in such programs. For many programs, the cost of students' time may be at least as significant as direct program costs such as tuition, fees, and supplies. Loans will also still show up on borrowers' credit reports, including any periods of delinquency or default prior to enrollment in IDR.

Moreover, IDR plans can transfer some of the cost of financing a low-financial-value postsecondary program to taxpayers through debt forgiveness. The goal of the IDR program is to reduce the burden of loans for low- and middle-income borrowers, not to subsidize programs that fail to help many of their students graduate and achieve their goals.

The Administration is taking significant steps to hold institutions of higher education accountable. This fall, the Department finalized regulations that close long-standing loopholes in requirements for private for-profit institutions to derive at least 10 percent of their revenue

from private sources. We subsequently issued final rules that provide a path to discharge student loans if institutions misled or otherwise took advantage of students and for the Department to recoup the costs of these discharges. The Department has also reestablished the Office of Enforcement within Federal Student Aid to conduct in-depth investigations into problematic institutions. In the future, we intend to prepare and issue regulations to hold career training programs accountable for providing sufficient value for students, among other topics.

This is a request for information (RFI) only. This RFI is not a request for proposals (RFP) or a promise to issue an RFP or a notice inviting applications. This RFI does not commit the Department to contract for any supply or service whatsoever. Further, we are not seeking proposals and will not accept unsolicited proposals. The Department will not pay for any information or administrative costs that you may incur in responding to this RFI. The documents and information submitted in response to this RFI become the property of the U.S. Government and will not be returned.

## **II. Increasing transparency around low-financial-value programs**

The Biden-Harris Administration is committed to improving accountability for institutions of higher education. One component of that work is to increase transparency and public accountability by drawing attention to the postsecondary programs that are most likely to leave students with unaffordable loans and provide the lowest financial returns for students and taxpayers. The Department is referring to these as “low-financial-value” programs for the purposes of this RFI, while acknowledging some of these programs may provide non-economic value. The Department believes annually publishing a list of the programs with the lowest financial value will draw public attention to these programs. The Department also is committed to sending letters to institutions with the most concerning programs to ask for their plans to improve the value of their programs. These steps should reduce the extent to which students and taxpayers are exposed to the negative consequences resulting from low-financial-value programs.

**III. Solicitation of Comments: Constructing a list of low-financial-value postsecondary programs**



To help inform the construction of the list of low-financial-value programs, the Department is seeking input from the public on which measures and metrics to use to determine "financial-value", what data could be leveraged to assist this effort, and other technical considerations. This effort is separate from any ongoing regulatory work. The deadline for these submissions is [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

The Department encourages comments from researchers, academics, policy experts, and other individuals familiar with postsecondary education data; organizations that work directly with students to counsel them in selecting institutions of higher education or postsecondary programs; institutions of higher education; borrowers who have been through the process of selecting a postsecondary education program or institution; and other members of the public.

The Department seeks responses to the specific questions below, as well as the general concepts and topics identified as they relate to the construction of the list of low-value programs. When responding to this RFI, please address one or more of the following questions:

**Measures and metrics**

1. What program-level data and metrics would be most helpful to students to understand the financial (and other) consequences of attending a program?

2. What program-level data and metrics would be most helpful to understand whether public investments in the program are worthwhile? What data might be collected uniformly across all students who attend a program that would help assess the nonfinancial value created by the program?

3. In addition to the measures or metrics used to determine whether a program is placed on the low-financial-value program list, what other measures and metrics should be disclosed to improve the information provided by the list?

**List structure**

4. The Department intends to use the 6-digit Classification of Instructional Program (CIP) code and the type of credential awarded to define programs at an institution. Should the Department publish information using the 4-digit CIP codes or some other type of aggregation in cases where we would not otherwise be able to report program data?

5. Should the Department produce only a single low-financial-value program list, separate lists by credential

level, or use some other breakdown, such as one for graduate and another for undergraduate programs?

**Data elements**

6. What additional data could the Department collect that would substantially improve our ability to provide accurate data for the public to help understand the value being created by the program? Please comment on the value of the new metrics relative to the burden institutions would face in reporting information to the Department.

**Public dissemination**

7. What are the best ways to make sure that institutions and students are aware of this information?

Accessible Format: On request to the program contact person listed under FOR FURTHER INFORMATION CONTACT, individuals with disabilities can obtain this document in an accessible format. The Department will provide the requestor with an accessible format that may include Rich Text Format (RTF) or text format (txt), a thumb drive, an MP3 file, braille, large print, audiotape, or compact disc, or other accessible format.

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www.govinfo.gov. At this site you can view this document, as well as all other documents of this Department published in the *Federal Register*, in text or Portable Document Format (PDF). To use PDF you must have Adobe Acrobat Reader, which is available free at the site.

You may also access documents of the Department published in the *Federal Register* by using the article search feature at [www.federalregister.gov](http://www.federalregister.gov). Specifically, through the advanced search feature at this site, you can limit your search to documents published by the Department.

Dated:

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James Kvaal,  
*Under Secretary*  
*Office of the Under*  
*Secretary.*