

# Gainful Employment Negotiated Rulemaking Session 2: Transition Period for DTE

- Typically, DTE calculations for a program will be made using the **most currently available yearly earnings** and **annual loan payments of students who completed the program 3 years and 4 years prior** to the year for which the calculation is made (the “2YP cohort”). For example, DTE rates for the 2014-2015 award year would be calculated using the 2014 earnings and annual loan payment of students who completed a particular program in award years 2010-11 and 2011-12.
- In the first four years that DTE rates are calculated under the rule (award years 2014-15, 2015-16, 2016-17, and 2017-18), if a program would be failing or in the zone based on the typical approach to calculating DTE rates described above, transitional DTE rates would be calculated using the most currently available yearly earnings for the 2YP cohort and the annual loan payments of students who completed the program in the *most recently completed award year* (earnings and debt are decoupled). Transitional rates will be used to assess the program if they are lower than what the rates would be under the normal calculation. This will allow programs that promptly lower tuition and fees to realize the benefit of their changes.
- After the four year transition period, the calculation would revert to the normal approach that uses the outcomes of the 2YP cohort for both earnings and annual loan payment.

Transitional DTE Rate Calculation								
Award year for which DTE calculation is made	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Student cohort whose earnings are measured	2010-11 & 2011-12	2011-12 & 2012-13	2012-13 & 2013-14	2013-14 & 2014-15	2014-15 & 2015-16	2015-16 & 2016-17	2016-17 & 2017-18	2017-18 & 2018-19
Earnings year used in calculation	2014	2015	2016	2017	2018	2019	2020	2021
Student cohort whose annual loan payment is calculated	2014-15	2015-16	2016-17	2017-08	2014-15 & 2015-16	2015-16 & 2016-17	2016-17 & 2017-18	2017-18 & 2018-19

← transition period

← revert to 2YP cohort for both earnings and debt after first 4yrs