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June 20, 2023

The Leadership Conference

The Honorable Nasser H. Paydar, Ph.D. Assistant Secretary for Postsecondary Education U.S. Department of Education

Re: Docket ID ED-2023-OPE-0089

Dear Assistant Secretary Paydar,

On behalf of The Leadership Conference on Civil and Human Rights, a coalition charged by its diverse membership of more than 230 national organizations to promote and protect the civil and human rights of all persons in the United States, we write to submit comments on the U.S. Department of Education's proposed regulations to make improvements in the area of gainful employment published in the Federal Register on May 19, 2023. A strong gainful employment rule is needed to protect African-American and Latino students in particular from substandard career education programs and to ensure that the Higher Education Act fulfills its promise of educational opportunity for all.<sup>1</sup>

For years, studies and investigations have found that for-profit schools implement policies and practices that produce adverse outcomes for African-American and Latino students. Too many for-profit schools use aggressive and deceptive recruiting and predatory lending practices that lead to higher student loan debt without accompanying value.<sup>2</sup> In response, the U.S. Department of Education, during the Obama administration, developed a regulation to enhance accountability at all career education programs, including those at for-profit colleges,<sup>3</sup> and to ensure compliance with the Higher Education Act of 1965 (HEA). That rule was repealed by the Trump administration in the name of reducing the burden for institutions.<sup>4</sup> This repeal removed urgently needed protection for students, particularly African-American and Latino students, and weakened institutional compliance with the law.

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President and CEO Maya Wiley

<sup>&</sup>lt;sup>1</sup> For more information regarding the civil rights community's support for robust regulation of forprofit colleges, please see *Gainful Employment: A Civil Rights Perspective*, a policy brief drafted and released by The Leadership Conference on Civil and Human Rights, Center for Responsible Lending, UnidosUS, NAACP, MALDEF, NAACP LDF, Lawyers' Committee for Civil Rights Under Law, CLASP, National Urban League, National Consumer Law Center, National Center for Lesbian Rights, The Education Trust, The Institute for College Access & Success, Education Law Center, Children's Defense Fund, American Federation of Teachers, National Center for Youth Law, National Alliance for Partnership in Eduiqty, and Augustus F. Hawkins Foundation in 2019 and available at: <a href="http://civilrightsdocs.info/pdf/education/Gainful-Employment-Brief-Final.pdf">http://civilrightsdocs.info/pdf/education/Gainful-Employment-Brief-Final.pdf</a>.

<sup>&</sup>lt;sup>2</sup> U.S Senate Health, Education, Labor, and Pension Committee. "<u>For Profit Higher Education: The Failure to Safeguard the Federal Investment and Ensure Student Success.</u>" July 30, 2012.

<sup>&</sup>lt;sup>3</sup> Gainful Employment, 34 C.F.R § 668.

<sup>&</sup>lt;sup>4</sup> Stratford, Michael. "<u>DeVos Finalizes Repeal of Obama-Era 'Gainful Employment' Rule</u>." *Politico*. June, 28, 2019.

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Students at for-profit colleges are much less likely to graduate than those at public and non-profit schools, more likely than their peers at other schools to default on their loans, and more likely to have debt and higher amounts of it. It is therefore imperative that a strong gainful employment rule is finalized and enforced. Without robust enforcement of the HEA, for-profit schools have little incentive to operate in the best interest of their students and ensure they complete school, become gainfully employed, and are able to repay their loans. For-profit institutions have worse student outcomes compared to public schools and have been especially aggressive in recruiting students of color, which is why gainful employment rulemaking is important for civil rights organizations.<sup>5</sup> A robust gainful employment rule offers long overdue federal oversight and provides regulatory protections for students and taxpayers alike.

We look forward to swift finalization of the rule and robust enforcement. Please contact Liz King, senior program director, with at any questions at <a href="mailto:king@civilrights.org">king@civilrights.org</a>.

Sincerely,

The Leadership Conference on Civil and Human Rights

<sup>&</sup>lt;sup>5</sup> Kirkham, Chris. "<u>For-Profit Colleges Draw Minorities, Stir Murky Debate on Student Success</u>." *Huffington Post*. August 3, 2011.