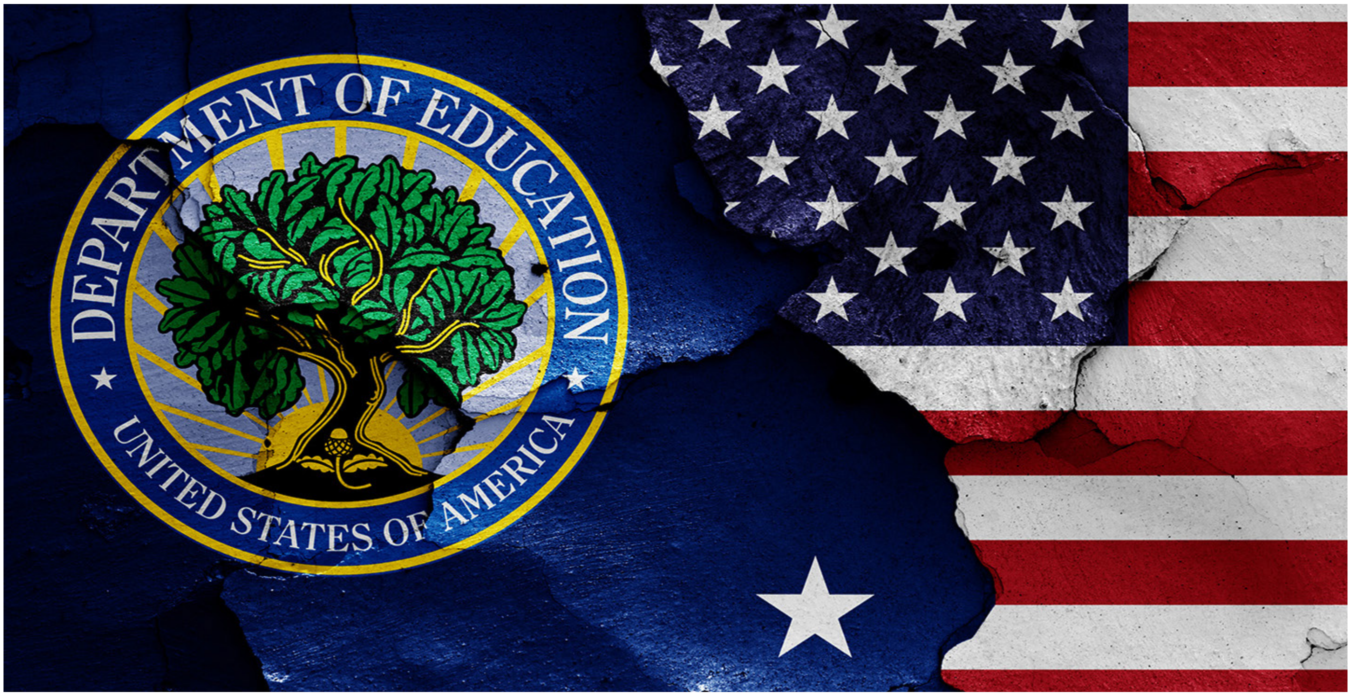
New Actions by DeVos Will Take a Major Toll on Both Students and Taxpayers



Since Secretary Betsy DeVos took office in February 2017, she has made every effort to reverse course on higher education rules meant to protect students and serve taxpayers well. In the short time she has been in office, Secretary DeVos has delayed a rule respecting state sovereignty and oversight of distance education, weakened rules providing loan forgiveness to students defrauded by their institutions, and gutted protections ensuring students are gainfully employed after graduating from certain programs.

Now, DeVos's Department has put out notice that it intends to weaken four additional important rules. These rules are vital to the protection of taxpayer dollars and the well-being of students and their families. Specifically, Secretary DeVos plans to allow institutions to inflate the value of college courses, charging students more while providing less. DeVos would also weaken protections for students attending college online by removing a requirement that professors regularly engage and interact with students. DeVos and her Department also want to further weaken accreditation standards, lowering the quality of higher education to unprecedented levels. Finally, Secretary DeVos plans to further limit the oversight role and function of states in higher education.

While each regulation is very technical, dismantling them would instantly undermine the government's ability to protect consumers from higher ed programs at all colleges that promise students a return on their investment and never deliver. These four rules make up some of the inner workings of a higher education system meant to protect students and taxpayers from waste, fraud, and abuse and guarantee a basic level of quality. And if the past serves as a predictor of the future, DeVos's new efforts will likely show the same result: fewer protections for students and more taxpayer money for unscrupulous institutions that have shown time and time again to serve students and taxpayers poorly.

Enough is enough. With nearly $120 billion in federal dollars on the line, students and taxpayers deserve better. While these may not be the flashiest regulations, they are foundational to making sure that every student gets value from the postsecondary opportunities they seek. We must all pay attention to and demand more from the Department of Education, whose primary job is to ensure our education system is set up to protect—not actively harm—students looking to improve their lives.

Proposed Rule Change #1: Redefining the Credit Hour

Congress awards federal financial aid entirely on the basis of credit hours. Yet with no definition of a credit hour in place, some institutions charged full-price for much less than other schools. That's why the Department created the credit hour rule in 2010, to ensure that students' federal aid and tuition dollars take them just as far toward earning a degree—no matter what college they go to. The college credits earned by a student actually signify a baseline amount of time and learning they did while in school.

What DeVos Plans to Do:

The Department plans to gut the credit hour definition and simply allow institutions to take advantage of taxpayer money by inflating the value of college courses. For example, prior to the credit hour rule, one institution was awarding up to 27 hours of credits for each semester, even though similar institutions evaluated the same workload as equivalent to only 18 credit hours. This means that institutions receiving federal student aid dollars will be able to bill students whatever they want, even while providing less instruction than what is widely accepted throughout the higher education community. Repealing the rule or removing a minimum floor for work or learning will provide an opening to unscrupulous providers to gain access to more federal Pell Grant and loan dollars by inflating the number of credit hours students (and federal money that institutions) receive.

How This Will Affect Students and Taxpayers:

This will allow institutions to receive more federal money for less time spent on education. It creates a huge risk that some institutions will award more credits for less time spent on learning, meaning students will end up spending more—including more of their precious Pell dollars or student loan dollars—while getting less in return. Some institutions may also be less likely to accept transfer credits as they won't deem these courses as providing an equivalent educational experience. This could make it even more difficult to ensure future academic success for the nearly 10% of students who transfer between institutions every single year.

Example: Rebecca registers for courses in pursuit of a hospitality degree in Florida. Because her university has less incentive to spend time on instruction and learning, she realizes upon completing her degree that her courses did not cover a lot of relevant material—yet she's already used up all of her Pell Grant eligibility and taken on thousands in debt. This left Rebecca without the proper qualifications to apply for jobs in her field, leaving her in debt and with few job prospects.

Proposed Rule Change #2: Weakening the Role of State Oversight

States play a vital role in the oversight of institutions, and they help to police fraud and abuse and ensure basic consumer protections at institutions that operate in their jurisdictions. This applies to students who enroll in and attend both online programs and brick-and-mortar institutions.

What DeVos Plans to Do:

The Department plans to limit state authority in overseeing institutions that operate within their borders. Some of the current state responsibilities that will likely fade away include the assurance that postsecondary programs will give graduates the credentials they need to sit for licensure exams or work in the state where they attended school. They could also change the way programs handle complaints from students—limiting students' ability to communicate with their home states about any wrongdoing they experience, regardless of where the institution is located.

How This Will Affect Students and Taxpayers:

By removing this requirement, a student may sign up for a licensure exam only to find out that the online program they completed in that subject area does not meet the licensure requirements in their state—only the state where their online institution is physically located. This renders these degrees effectively worthless—wasting time and money—all because the school was no longer required to get approval in the state where it offered an education. Institutions will no longer need to get state approval to educate students, removing an important layer of oversight from higher education. Valuable taxpayer dollars will be spent at institutions with little to no state oversight. Moreover, students will no longer have the benefit of knowing when a program doesn't meet the requirements for licensure in the state where he or she lives. By removing this requirement, a student may sign up for a licensure exam only to find out that the program they completed is only valid in the state where their online institution is physically located—not where they currently live.

Example: Destin completes all of the requirements for an online nursing program located in Connecticut and signs up for the Tennessee licensure exam so he can practice in his hometown of Nashville. Upon registering for the licensure exam, he discovers his program didn't meet the requirements in Tennessee, but only Connecticut—where the physical headquarters for the online program is located. Destin's degree is now worthless unless he moves his family across the country.

Proposed Rule Change #3: Removing Requirements for College Accreditors

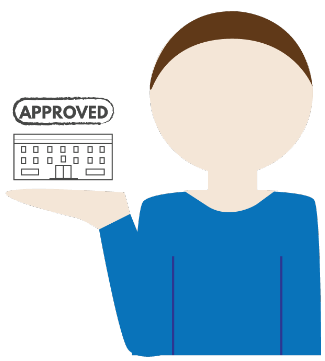
Right now, college accreditors are supposed to ensure a basic level of educational quality. However, gaining an accreditor's stamp of approval doesn't always mean a school provides a return on investment for students, as many accredited institutions still leave their students degreeless, underemployed, and unable to pay down their student loans after attending. It's imperative that accreditation better ensures good outcomes for students; unfortunately, these new actions by Secretary DeVos may lead to an even weaker quality assurance system than exists today.

What DeVos Plans to Do:

The Department will ask less of accreditors in their oversight of institutions while asking for nothing in return to ensure that the institutions within their purview are actually serving students well. And DeVos has indicated the Department also intends to weaken its processes for approving accreditors, removing effectively the only check on accreditors' activities.

How This Will Affect Students and Taxpayers:

Right now, over 680 accredited institutions leave over half of their students degreeless, unlikely to earn more than an average high school graduate, and unable to pay down their student loans. Reducing standards for accreditors in an effort to reduce "burden" on accreditors will only open the door for more schools to receive an accreditor's stamp of approval, even when they consistently fail to serve students well.



Example: Derek has always heard that accreditation is the stamp of approval for institutions in higher education—which is why he chooses to enroll in an accredited school near his house in the hopes of completing a degree in the culinary arts. Yet, after just a few months of poor instruction, he learns that his school has an abysmal track record—with only one in 10 students eventually going on to earn a degree—despite the fact that the accreditor has it on a list of honor-star schools. Like most of his classmates, Derek now finds himself degreeless and in debt, confused as to why he was ever allowed to take out federal aid to attend this school in the first place.

Proposed Rule Change #4: Allow for Less Student-Instructor Interaction

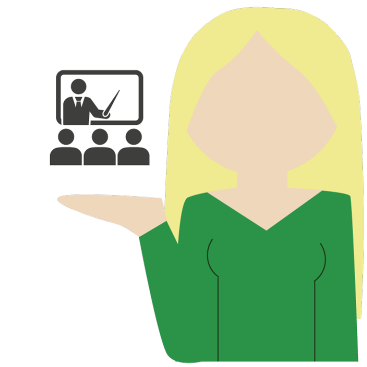
In an effort to loosen requirements for institutions that offer online education—a growing sector that has a history of poor outcomes—the Department wants to weaken a rule that requires students to have "regular and substantive interaction" with their instructors—in other words, requiring that students meet and talk to a real, live subject-matter expert.

What DeVos Plans To Do:

While online instruction is meant to provide a more flexible educational experience for those who require it, effective online programs still require qualified instructors with subject matter expertise to spend time helping students learn. The Department plans to water down this rule so that instructors no longer spend much time interacting with or teaching their students. This will allow online providers to outsource many instructional responsibilities to non-experts—or even call centers—when students need assistance. Yet, these programs will continue to have access to billions in federal student aid, all while effectively telling their students who are leveraging their financial futures to attend, "you're on your own."

How This Will Affect Students and Taxpayers:

Students who enroll in online education programs will be less likely to receive the help they're paying for when they need it. This will result in more courses being offered through pre-recorded lectures, less interaction with knowledgeable instructors, and a lower likelihood of success for the students who attend. For institutions looking to cut costs, these are the likeliest outcomes of eliminating the requirement that course instructors help their students with the subjects they're paying to study.



Example: Alana enrolls in an online degree program for information technology. After watching multiple classes on YouTube at the school's instruction, she's struggling with the coursework and attempts on multiple occasions to request support from her instructor. Instead, she's directed to an online tutoring program that does little to clear up the confusion she has with the material. As a result, Alana fails the class and doesn't re-enroll the next semester, disappointed that she wasted time and money on a program that promised to help her attend school more conveniently but delivered nothing of value to its students.

Proposed Rule Change #5: Allowing Institutions to Outsource Educational Programs

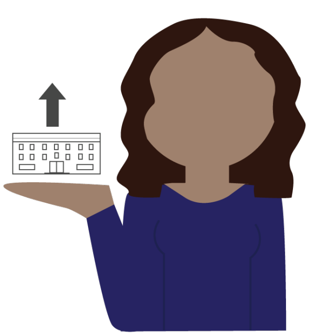
Currently, any program an institution offers using federal financial aid dollars must be provided primarily by the college itself, with support from other colleges or non-college educational organizations capped.

What DeVos Plans to Do:

The Department of Education plans to revisit the regulations overseeing this protection, allowing an institution to outsource more than half of a program through contracts with unaccredited, unaccountable entities—similar to what Trump University was doing. As a result, students may end up paying for a program that they don't even know is more expensive and lower-quality because it is not being offered through the institution directly.

How This Will Affect Students and Taxpayers

Today, consumers—and the taxpayers who finance their educations—have a guarantee that the institutions they're attending have been approved by the state, accredited by a recognized accreditor, and are subject to a battery of requirements, like passing a financial viability test from the Department of Education. Letting colleges outsource their programming to untested entities that assume the college's branding obscures who's really teaching students and how well they're doing it, ultimately stripping away all these basic quality assurances.



Example: June wants to study medical coding so she can find a good job in a doctor's office, but she has virtually no work experience and struggled to finish high school. She enrolls at a local college, but during the program, she notices the instructors barely seem to know what they're doing (when they're even around). The resources available to her in the classroom are little more than a website with instructional videos, and the program seems to be nearly twice as expensive as others at the school. When she graduates only a few months later, her job search turns up nothing. She learns too late the local college wasn't even teaching the program itself. Instead, it hired another company—one that's been cited by the state for misleading recruiting practices—and paid it more than half the tuition dollars students paid in, driving up the cost of the program and eliminating any incentive for the company to offer a quality education.