



STATEMENT OF PAULINE ABERNATHY  
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## **Statement on Implementation of Gainful Employment Regulation**

“With today’s [announcement](#), it will be easier for students to tell which career education programs deliver and which do not, and failing programs will have to improve or lose federal taxpayer funding. All career education programs at public, for-profit and non-profit colleges will have to clearly disclose the earnings of their graduates and whether the programs meet state licensure requirements as well as their cost, typical debt levels, and completion and job placement rates. Failing programs that are consistently leaving graduates with debts they cannot repay will now have to warn current and prospective students that the program will lose eligibility for aid next year if it does not improve. These are common-sense requirements and have strong support from consumer, student, veterans, civil rights, and college access organizations.

“As expected, the data show that three quarters (76%) of career education programs pass the gainful employment rule’s debt-to-earnings standards, including two thirds of programs at for-profit colleges. However, 9% of programs fail the standards and are consistently leaving their graduates with unmanageably high levels of debt. Virtually all of the failing programs (98%) are at for-profit colleges. This is all the more troubling given [recently released data](#) showing some for-profit colleges receive 100% of their revenues from federal taxpayer-funded programs.

“The data released today underscore the need for this regulation, providing multiple examples of programs offered by nearby colleges with very different outcomes. For example, two for-profit colleges in Harrisburg, Pennsylvania, offer medical/clinical assisting certificate programs, but the graduates of Keystone Technical Institute typically earn \$10,000 more and have significantly less debt than Brightwood Career Institute graduates. In Miami, Florida, graduates of the public Miami Dade College’s medical/clinical assisting certificate program typically have no debt and twice the income of graduates of the same program at the nearby for-profit Florida Education Institute, where graduates pay more than \$1,200 per year on their student loans. Students deserve this basic information before they decide where to go to school, and taxpayers should not have to subsidize programs that consistently underperform and leave students worse off than when they enrolled.”

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*An independent, nonprofit organization, The Institute for College Access & Success (TICAS) works to make higher education more available and affordable for people of all backgrounds. Our Project on Student Debt works to increase public understanding of rising student debt and the implications for our families, economy, and society. For more information see [www.ticas.org](http://www.ticas.org) or follow us on [Twitter](#) and [Facebook](#).*