AICCU
ASSOCIATION OF INDEPENDENT CALIFORNIA COLLEGES AND UNIVERSITIES

May 19, 2026

Joe Massman
U.S. Department of Education
Office of Postsecondary Education
400 Maryland Avenue, SW
Washington, DC 20202-1100

Subject: Docket ID ED–2026–OPE-0100

Dear Mr. Massman:

The Association of Independent California Colleges and Universities (AICCU) is the organizational voice for more than 85 nonprofit, accredited, degree-granting institutions across California. Together, our campuses enroll over 184,000 undergraduates and 162,000 graduate students. Of those undergraduates, more than 47,500 are Pell Grant recipients—reflecting our sector's longstanding commitment to educational access, affordability, and student success. Beyond educating students, our campuses serve as vital pillars in their communities by driving economic activity through employment, supporting local businesses through substantial spending, and enriching the cultural landscape with impactful programs that engage K-12 schools and beyond.

Thank you for this opportunity to comment on the proposed regulations on the Student Tuition and Transparency System (STATS) and the earnings accountability metrics, which were based on the work of the Accountability in Higher Education and Access Through Demand-Drive Workforce Pell (AHEAD) negotiated rulemaking committee.

California's independent higher education sector welcomes thoughtful discussions around accountability, transparency and student outcomes. Our institutions are confident in the value of the education they provide and in the long-term success of their graduates. In fact, based on documents and preliminary data utilized by the AHEAD Committee during the negotiations, AICCU's analysis indicated that 96% of programs at our institutions would meet the proposed earnings metrics.

At the same time, it is critical that the regulations faithfully implement congressional intent and assess programs in a fair, accurate, and balanced manner. Students deserve transparent information that meaningfully informs their educational and career decisions, but accountability systems must also recognize the diversity of institutional missions, academic disciplines, and career pathways.

Accordingly, AICCU respectfully encourages the Department of Education (ED) to consider the following recommendations:

- **Provide flexibility within the earnings metrics to account for program mission and characteristics.** Many independent colleges offer specialized programs in areas such as theology, fine arts, social services, education and community development that intentionally prioritize service, civic engagement, artistic contribution, and cultural enrichment alongside economic mobility. These programs provide substantial public value that cannot be fully measured through short-term earnings data alone.

  While earnings are one important indicator, they should not become the sole determinant of program quality or institutional value. ED should carefully balance accountability with respect to institutional mission and avoid one-size-fits-all approaches that risk narrowing educational opportunity or creating undue governmental intrusion into institutional purpose and academic offerings.

  For these programs in fields such as arts and humanities, AICCU encourages ED to provide additional flexibility by extending the earnings measurement timeframe for bachelor's degree graduates under proposed Section 668.403(b). Measuring earnings four years after completion does not adequately capture long-term trajectories in many creative and mission-driven professions. A longer evaluation window, such as 10 years post-completion, would provide a more accurate representation of graduates' economic outcomes and career progression. This flexibility is particularly important given the significant role the creative economy and cultural industries play in California's economy and communities.

  Additionally, earnings data for graduates in certain fields may not fully reflect total compensation or professional realities. Graduates in artistic, religious, or service-oriented professions may receive tip income, freelance compensation, or other forms of support that may not be captured in standard wage reporting systems. As a result, the proposed metrics may unintentionally understate the true economic circumstances and contributions of graduates in these disciplines.

- **Reconsider the inclusion of Section 668.14(h) and related sections.** This proposed section states that at least half of the institution's student aid recipients and at least half of the institution's total student aid funds cannot be from low-earning outcome programs. Institutions failing this standard in two out of three consecutive award years would be placed on provisional status and the institution's low-earning outcome programs shall not qualify for all of Title IV funds. AICCU is concerned that this provision exceeds the statutory framework established in H.R. 1 (2025), the One Big Beautiful Bill Act, which created the underlying earnings accountability requirements. While few—if any—independent California colleges or universities would currently be impacted by this threshold, the proposed language appears to extend beyond the intent and language enacted by Congress. When Congress wrote the law, the only consequence it attached to the earnings and accountability metrics was the loss of Direct Loan eligibility. We encourage ED to reconsider inclusion of this provision in the final rulemaking.

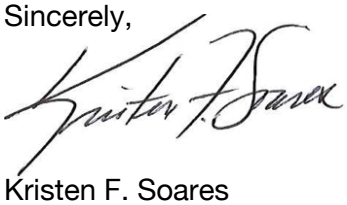
- **Establish a robust appeals process that serves the statutory purpose, in line with Congressional intent.** The earnings premium framework Congress enacted in H.R. 1 is intended to identify and remove from federal financial aid programs that fail to produce

meaningful earnings outcomes for their graduates. A framework that produces accurate determinations advances that statutory purpose; one that produces inaccurate determinations does not. The kinds of measurement and methodological issues that an expanded appeals process would surface, such as improperly constructed cohorts, inflated benchmarks, uncaptured forms of earnings, and statistical uncertainty at the margin, are precisely the issues that, left uncorrected, would cause the framework to misidentify programs and therefore fail to serve its statutory function. ED should therefore view the mentioned expanded reasons for appeals not as concessions to institutional interests but as integral to the accuracy and legitimacy of the framework Congress enacted.

- **Provide a longer "on ramp" period for reporting, particularly for smaller institutions.** Institutions already face substantial reporting and compliance obligations from federal and state agencies, accreditors, and oversight entities. These responsibilities are especially burdensome for smaller institutions with limited staffing and administrative capacity. Implementing new reporting systems and compliance structures will require significant institutional resources that could otherwise be directed toward student support services and educational programming. In addition, institutions currently face uncertainty regarding the implementation timeline, including whether reporting requirements will begin on October 1 of this year or October 1, 2027, and how the transition from the existing Financial Value Transparency/Gainful Employment framework will occur. AICCU strongly encourages ED to provide clear implementation guidance as soon as possible, particularly for smaller institutions that may require additional time to operationalize these requirements effectively.

Thank you again for the opportunity to provide comments on these proposed regulations. AICCU and its member institutions remain committed to transparency, accountability, and strong student outcomes, and we look forward to continued engagement with ED as this process moves forward.

Sincerely,



Kristen F. Soares
President