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May 20, 2026

Submitted via Regulations.gov

Nicholas Kent
Under Secretary
U.S Department of Education
400 Maryland Ave SW
Washington, DC 20202

Re: Docket Number ED-2026-OPE-0100; Accountability in Higher Education and Access through Demand-Driven Workforce Pell: Student Tuition and Transparency System and Earnings Accountability

Dear Under Secretary Kent:

On behalf of the approximately 3 million members of the National Education Association (NEA), we submit the following response to the U.S. Department of Education's (ED) request for comments on the proposed changes to program accountability under Workforce Pell, published in the Federal Register on April 20, 2026.

ED's core accountability mechanisms in the Notice of Proposed Rulemaking (NPRM) fall woefully short of protecting students from financial ruin. By abandoning historical debt standards and leaving massive loopholes open for predatory institutions, the Department has proposed a framework that represents a severe regression in consumer protection. The Student Tuition and Transparency System (STATS) and Earnings Accountability NPRM dismantles essential safeguards that NEA has long championed to ensure postsecondary education leads to genuine economic stability rather than insurmountable debt. Instead of building upon the foundational protections established under previous Gainful Employment (GE) regulations, the Department has constructed an accountability framework riddled with delays, exemptions, and loopholes that ultimately benefit low-quality institutions at the direct expense of vulnerable students and taxpayers.

Elimination of the Debt-to-Earnings (D/E) Metric

The Department's proposal to eliminate the Debt-to-Earnings (D/E) metric from the accountability framework and even from the STATS transparency reporting requirements represents a disastrous step backward in oversight. NEA has historically supported the implementation of the D/E rule¹

¹ <https://www.regulations.gov/comment/ED-2023-OPE-0089-2280>

because an earnings premium alone does not go nearly far enough to ensure that programs lead to true financial stability, and relying solely on the newly proposed earnings premium test is a deeply incomplete safeguard. Under this singular metric, a program can easily pass the benchmark by producing moderate earnings that technically exceed the median income of a high school graduate, while simultaneously burying students in unmanageable student loan debt.²

The Department's justification for removing the D/E metric falls woefully short of reasoned policymaking. In the NPRM, the Department argues that the D/E metric is overly complex and that retaining it alongside the earnings premium test would only result in a marginal 2% increase in the share of failing Gainful Employment (GE) programs.³ The Department further attempts to justify this rollback by claiming that new annual loan limits established by the One Big Beautiful Bill Act (OBBBA), such as capping graduate borrowing at \$20,500 and professional borrowing at \$50,000, will naturally reduce the risk of unmanageable debt, making the D/E test irrelevant.

NEA vehemently rejects this logic. Erasing a critical metric simply to reduce administrative reporting burdens for institutions actively harms students who rely on the Department to hold predatory programs accountable and give accurate information so students can plan big decisions on financial aid and attendance. Evaluating a program strictly on earnings without providing any context for the debt required to achieve those earnings fundamentally misunderstands the financial realities facing modern students, particularly those in public service fields. Some public service fields may have structural compensation issues, but students may seek other remedies to eliminate debt, such as the Public Service Loan Forgiveness (PSLF) program. The Department's claim that removing the D/E metric only affects a small number of programs ignores the devastating real-world impact on the students trapped within those specific programs that may now be facing future program closures or a loss of degree reputation.

Abandoning Graduate Students and Educators

The Department's elimination of the D/E metric effectively abandons advanced degree seekers, leaving graduate students and educators to shoulder the heaviest burdens of federal student debt. Collectively, students attending graduate school carry the largest amount of student debt, and almost half of all educators have taken out loans to finance their postsecondary education. Research indicates that eliminating the D/E metric disproportionately reduces accountability for high-debt graduate and professional programs.⁴ Many crucial roles like guidance counselors, media specialists, school social workers, and many other School Instruction Support Professionals (SISP) have high educational requirements but low average compensation. By removing the D/E metric, the Department completely fails these students and contributes to their loan burden.

Half of the programs that fail the D/E test are graduate and professional degrees. Without the D/E metric in place, 14% of doctoral programs and over 9% of first-professional degree and graduate certificate programs will pass the new earnings accountability framework that previously would fail, despite leaving students with crushing, unaffordable debt burdens.

² <https://www.newamerica.org/insights/whats-ahead/>

³ <https://www.ed.gov/media/document/2025-2025-ahead-adding-debt-earnings-test-proposed-gainful-employment-ge-rule-112933.pdf>

⁴ <https://static1.squarespace.com/static/68c723d6625b5230d7ce847a/t/695c2f9612724e56876ee63d/1767649174576/Accountability-for-All-Programs-PEER-FINAL.pdf>

Though the Department may claim that it only would affect 2% of students in GE programs, at the national level that still means that the Department would allow nearly 40,000 students to remain enrolled in programs that will saddle them with unmanageable debt without sufficient ability to repay. This systemic failure actively harms educators, who frequently rely on postgraduate degrees to advance their careers and improve their instructional practice. Teaching and allied educational professions inherently require advanced credentials but rarely offer salaries commensurate with the debt required to attain them. Removing the D/E metric enables institutions to continue charging high tuition for graduate education programs or certificates without facing any consequences. Even with the new caps on graduate student borrowing, the D/E metric should remain essential because these new loan limits will likely cause an uptick in private lending, which leaves students vulnerable to predatory loans, high interest rates, and a potential inability to repay their debts.

The Flaw of Earnings Premium for Early Childhood Educators

We are profoundly concerned that the earnings premium measure, as proposed, unfairly penalizes essential but lower-paying public service fields, most notably Early Childhood Education (ECE).⁵ While the Department intends to protect students from low-earning outcomes, the proposed metric fails to distinguish between programs of poor academic quality and those preparing students for vital professions that suffer from systemic market failures in compensation. The Department's rigid application of a universal earnings premium metric creates severe, unintended consequences for socially vital fields. By applying a one-size-fits-all threshold without accounting for structural labor market failures, regional wage disparities, or vital student debt forgiveness programs, the proposed framework threatens to decimate the pipeline of trained public educators.

Early childhood education is a necessary public service with high social value, yet wages for these educators are chronically suppressed and often do not reflect the level of training or licensure required for the role. Early childhood educators require specialized knowledge and skills to assess and support children's learning and development, to design, select, and implement curriculum, to use effective instructional practices, to identify children's potential learning or developmental needs that might require the additional support of specialists, and to collaborate with families and other professionals. Higher education programs for those pursuing careers in early childhood education provide the primary pathway for such educators to gain preparation and supervised practice in these core competencies. Furthermore, research shows that early childhood educators who participate in higher education coursework and receive degrees or credentials are more likely than their peers to stay in the profession, supporting workforce quality and stability.⁶

The Department's earnings metric completely ignores these broken compensation structures. Because ECE workers earn a national median of only about \$27,000 as of 2022,⁷ early childhood education programs face the highest risk of failing the Department's new earnings benchmarks. The Department's own data even shows the impact of this: certificate program codes that train future early childhood educators are likely to have a significant rate of failure under the new metrics. Specifically, the Department estimates that approximately 77% of students enrolled in "Human Development, Family Studies, and Related Services" (CIP code 19.07) undergraduate certificate

⁵ <https://www.newamerica.org/insights/new-higher-education-accountability-rules-and-early-education-what-we-know-so-far/>

⁶ <https://buffettinstitute.nebraska.edu/policy-research/early-childhood-workforce-stability-and-retention>

⁷ <https://csece.berkeley.edu/workforce-index-2024/wp-content/uploads/sites/4/2025/08/Appendix-2-Table-2.4.pdf>

programs which include pathways for child development and early childhood studies attend programs.⁸ Furthermore, 55% of students enrolled in "Teacher Education and Professional Development, Specific Methods and Levels" (CIP code 13.12) certificate programs are also projected to fail. With almost 80 percent of these programs failing, the impact on the early childhood education workforce cannot be overstated.

The rigidity of the proposed framework is further exacerbated by the Department's reliance on broad, aggregated wage data. The earnings threshold definition will unfairly impact programs preparing individuals for early childhood education careers because it uses aggregated median wages of all adults in a state or nation. This methodology fails entirely to consider in-state geographic, gender, and racial wage differences.

ECE is a predominantly female profession (98%) that also includes a large percentage of educators of color (40%+).⁹ The Department's own data acknowledges that completers of Teacher Education certificate programs are overwhelmingly women and notably include the highest percentage of Black women. Despite this reality, the Department has explicitly refused to adjust earnings thresholds to account for sex-based or demographic wage gaps, citing statutory constraints and Executive Order 14173.¹⁰

Furthermore, the Department refused to include regional, urban, or rural cost-of-living adjustments to the national or state median earnings thresholds. During the negotiated rulemaking process, negotiators explicitly warned the Department that relying strictly on broad state or national medians would unfairly disadvantage programs and institutions located in rural areas where expected wages are inherently lower than national or state averages. In fields like education, salaries are frequently dictated by local municipal tax bases rather than broad state or national medians. This lack of regional and demographic flexibility serves as stark evidence that the framework is a flawed, one-size-fits-all metric that fails to capture the nuanced economic realities of public service professions. We ask that the Department establish an earnings threshold that serves as a fair wage comparison to ECE program graduates' wages. Punishing high-quality programs simply because they serve marginalized students in chronically underpaid, female-dominated professions - or because their local economies cannot support wages that meet a statewide median - is a gross misapplication of accountability that will only worsen educator shortages.

Changes and Concerns to Accountability Timeline and Enforcement

The Department's proposed enforcement mechanisms and implementation timeline are fundamentally inadequate to protect students and taxpayers. By allowing extended off-ramps and delaying the loss of Pell Grants for low-earning programs, the proposed rule provides predatory institutions with a massive, multi-year runway to aggressively market subpar credentials and siphon federal funds with delayed accountability.

We are concerned with the Department's initial proposal to limit the direct consequences for a low-earning outcome program to the loss of Direct Loan eligibility only. Allowing programs with proven

⁸ <https://www.ed.gov/media/document/2025-ahead-results-of-earnings-test-and-ge-changes-112932.pdf>

⁹ <https://cscce.berkeley.edu/workforce-index-2024/the-early-childhood-educator-workforce/about-the-early-childhood-workforce/>

¹⁰ <https://www.federalregister.gov/documents/2025/01/31/2025-02097/ending-illegal-discrimination-and-restoring-merit-based-opportunity>

records of poor earnings outcomes to retain access to Pell Grants leaves the most vulnerable, low-income students exposed to the catastrophic risk of inadvertently exhausting their limited lifetime Pell Grant eligibility on worthless credentials.¹¹ For many programs, specifically at for-profit institutions, the loss of Direct Loan eligibility is an entirely meaningless penalty. Department data indicate that approximately 40 percent of students in failing GE programs rely solely on Pell Grants to attend.¹² For these students, retaining Pell access at failing programs does not represent an opportunity; it represents a trap. If students drain their finite Pell Grant funds on a failing certificate program, they are stripped of the federal grant aid they desperately need if they later choose to pursue a high-quality, traditional bachelor's degree.

To address negotiator concerns regarding this massive Pell Grant loophole, the Department states in the NPRM that a compromise regulation to be introduced “would eventually terminate title IV, HEA eligibility for all of an institution’s low-earning outcome programs if more than half of the institution’s title IV, HEA recipients or title IV, HEA revenue are from low-earning outcome programs in two out of any three consecutive years.”¹³

We oppose this provision as a dangerously lenient standard that serves as a massive loophole. While the Department intends to catch the worst actors, it effectively sanctions the continued enrollment of vulnerable students in predatory programs. If an institution manages to keep its failing programs just under the 50 percent threshold of its total enrollment or revenue, those proven low-value programs can continue to harvest Pell Grants indefinitely.

Furthermore, because this administrative capability failure must be sustained over a multi-year period, it allows Pell Grants to continue flowing to failing programs for a full year *after* those programs have already lost Direct Loan eligibility. A system that allows failing programs to collect Pell Grants simply because they are housed within a larger institution that stays below a 50 percent threshold is not a comprehensive accountability framework; it is a federal subsidy for predatory behavior. We urge that any program identified as a low-earning outcome program instantly loses access to all Title IV funding, including Pell Grants, to ensure immediate consumer protection.

Pell Lifetime Eligibility Disclosures as an Inadequate Mitigation Strategy

As this rule still allows some failing programs to retain Pell Grant Access, the Department is proposing a consumer protection measure requiring schools to disclose to Pell recipients in failing programs how much grant aid they have remaining. The institution must explicitly warn these students at the time of disbursement that all Pell funds received for enrollment in the failing program will count against their future lifetime eligibility limit. We believe that the Department did not go far enough in protecting borrowers and taxpayers with this. Instead of simply warning students that they are draining their limited 600% lifetime grant eligibility on a low-earning credential,¹⁴ the Department must take decisive action and cut off the failing program's access to Pell Grants entirely. A warning label is not an acceptable substitute for protecting taxpayers and students from proven low-value programs.

¹¹ <https://www.thirdway.org/blog/negotiators-reach-consensus-on-accountability-framework>

¹² <https://www.newamerica.org/insights/whats-ahead/>

¹³ <https://www.regulations.gov/document/ED-2026-OPE-0100-0001>

¹⁴ <https://ticas.org/accountability/ahead-neg-reg-session-2-recap-jan-2026/>

Proposed Rules Represent a Step Backward

Eliminating the Debt-to-Earnings (D/E) metric creates a situation in which the Department hides the true cost of education and leaves students and future educators vulnerable to unaffordable debt. Furthermore, the rigid, one-size-fits-all earnings threshold unfairly punishes essential but chronically underpaid public service professions like early childhood education, threatening the fragile pipeline of trained educators. Finally, the proposed rules create dangerous loopholes that could allow predatory institutions to still operate for additional years while still using student and taxpayer money.

The NEA strongly urges the Department to reverse these damaging rollbacks. We call on the Secretary to reinstate the D/E metric for all programs, create fair alternative benchmarks and immediately cut off all federal funding, including Pell Grants, to predatory and failing programs without delay. Please do not hesitate to contact me or Samuel Dunietz at SDunietz@nea.org, should you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Daaiyah Bilal-Threats". The signature is written in a cursive style with a long horizontal line extending to the right.

Daaiyah Bilal-Threats
Senior Director, Education Policy and Implementation Center
National Education Association