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April 5, 2011

Secretary of Education Promises 'Thoughtful' Gainful Employment Rule in Next Couple of Months

By Kelly Field

Washington

The long-awaited and hotly debated "gainful employment" rule will be finalized in the next month or two, Secretary of Education Arne Duncan told Education Department employees today.

"We are very, very close to a final recommendation," Mr. Duncan said at an employee-recognition event today at the Office of Federal Student Aid. The final regulation, he added, will be "much more thoughtful and much better for the country" than the department's draft rule, [released](#) last July.

The secretary did not provide any details on changes that will be made to the rule, which would tie a program's eligibility to award federal student aid to its borrowers' debt-to-income ratios and loan-repayment rates. Approached by a reporter after the event, Mr. Duncan declined to say whether the final rule would retain the debt-to-income and loan-repayment calculations.

Still, Mr. Duncan hinted that the department is refining the rule to better target the "bad actors" in the for-profit sector. Critics of the original rule have complained that it would force for-profits to shutter successful programs in high-need fields in which starting salaries are low.

"We're trying to walk a fine line to make sure the good actors are supported and bad actors can't take advantage of people trying to better their lives," he said.

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willynilly 13 hours ago

Sorry Arne, but everyone of them is a "bad actor".

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teng8786 12 hours ago

History repeats itself -- statement from page 8/14 of a policy analysis regarding the 1992 enactment of the 85/15 rule @ <http://www.policyarchive.org/h...>

*"The 85/15 rule generated considerable controversy. The **Career College Association**, representing proprietary schools, brought several unsuccessful court challenges against the provision." In addition, ED's regulations implementing the 85/15 rule were delayed by language in appropriations statutes. Also, there were disputes about the formula used to calculate the percentage of funds derived from non-Title IV sources. There were discussions about whether the numerator should include all Title IV aid received by students or only the portion used to pay tuition and fees. There also was debate about whether the denominator should include only revenues from Title IV eligible courses or revenues from other similar contract training or related businesses."*

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