

**CAPPS Legislative Conference  
March 27, 2017**

**Steve Gunderson  
President and CEO  
Career Education Colleges and Universities (CECU)**

# The Transition:

- **A New Administration**
- **A New Department**
- **A New Policy**

tran·si·tion

tran'ziSH(ə)n, tran'siSH(ə)n/

*noun*

the process or a period of changing  
from one state or condition to another.

**November 8 - December 8, 2016**

# December 8, 2016



## MEMORANDUM

**TO:** The Education Department Transition Team for President-elect Trump  
**FROM:** Steve Gunderson, President & CEO  
Michael Dakduk, Executive VP & Director of Government Affairs  
**RE:** Background on protocols to handle excessive regulation by the Obama Administration  
**DATE:** December 8, 2016

---

The focus of this memo is on those regulations which were ideological targets by the Obama Administration against proprietary schools and now align with the new Administration's and Department of Education's focus on deregulation: Gainful Employment (GE), Borrower Defense to Repayment (BDR) and State Authorization.<sup>1</sup> Our research suggests that four options exist to address these regulations:

1. Withdraw the State Authorization rule.<sup>2</sup>
2. Rescind or modify a regulation via a new notice-and-comment rulemaking.
3. Not enforce a regulation until Congress addresses the issue.
4. Use the Congressional Review Act (CRA) to overturn a regulation.<sup>3</sup>

# December 16



U.S. Department of Education

Student Loans

Grants

Laws

## ARCHIVED INFORMATION

# Education Department Establishes Enhanced Federal Aid Participation Requirements for ACICS-accredited Colleges

DECEMBER 12, 2016

Contact: Press Office, (202) 401-1576, [press@ed.gov](mailto:press@ed.gov)

Beginning today, the U.S. Department of Education will inform colleges accredited by the [Accrediting Council on Independent Colleges and Schools](#) (ACICS) of additional operating conditions required for continued participation in the federal student aid programs. These new provisions will apply to ACICS-accredited institutions and follow [U.S. Secretary of Education John B. King Jr.'s final decision to withdraw federal recognition](#) of the accrediting agency.

## Memorandum

To: Secretary-Designee Betsy DeVos  
From:  
Re: Higher Education and the Trump Administration  
Date: December 16, 2016

Dear Madam Secretary!

Congratulations on becoming the leader of our nation's commitment to education! In so many ways, you have an opportunity unlike any of those before you to equip a nation's citizens with the education and skills to achieve new opportunity.

**January 6, 2017**



**January 24, 2017**

# February 1




February 1, 2017

The Honorable Jerry Falwell, Jr.  
President  
Liberty University  
1971 University Blvd.  
Lynchburg, VA 24515

Dear President Falwell:

Congratulations – and thank you – for your willingness to lead a taskforce looking at the overregulation of Higher Education! On behalf of our nation’s postsecondary career colleges and universities we stand ready to work with you in every possible way to accomplish this important work.

**February 1, 2017**

Sections 

*The Washington Post*  
*Democracy Dies in Darkness*

Grade Point

# National coalition of attorneys general launches effort to stop embattled college accreditor

By **Danielle Douglas-Gabriel** January 24 

**February 3, 2017**

## Discussion Draft for Vince Haley

February 6, 2017

MEMORANDUM FOR THE SECRETARY OF EDUCATION

**SUBJECT:** Gainful Employment and Borrower Defense to  
Repayment Rules.

One of the priorities of my Administration is to empower Americans to obtain the best possible jobs, achieving the career of their choice at the school of their choice in ways that leads to both professional and personal success.

**February 10, 2017**



**POLITICO**

# Morning Education

*A daily overview of education policy news*

Get the Morning Educa

✉ Your email...

By signing up you agree to receive em



Facebook



Twitter



Google +

## Executive order on HBCUs 'imminent'

By **BENJAMIN WERMUND** | 02/10/17 10:00 AM EST

*With help from Michael Stratford, Kimberly Hefling, Caitlin Emma, Josh Gerstein and Elana Schor*

**SCOOP: EXECUTIVE ORDER ON HBCUs 'IMMINENT':** The Trump



# Going Through DOJ!

# February 22, 2017

OFFICE OF THE ATTORNEY GENERAL  
STATE OF ILLINOIS

**Lisa Madigan**  
ATTORNEY GENERAL

*Via overnight mail*

February 22, 2017

The Honorable Elisabeth DeVos  
Secretary  
U.S. Department of Education  
400 Maryland Avenue, SW  
Washington, DC 20202

Speaker Paul Ryan  
Speaker of the House  
United States House of Representatives  
1233 Longworth House Office Bldg.  
Washington, DC 20515

The Honorable Mitch McConnell  
Senate Majority Leader  
United States Senate  
317 Russell Senate Office Building  
Washington, DC 20510

The Honorable Nancy Pelosi  
House Minority Leader  
United States House of Representatives  
233 Cannon H.O.B.  
Washington, DC 20515

The Honorable Charles E. Schumer  
Senate Minority Leader  
United States Senate  
322 Hart Senate Office Building  
Washington, DC 20510

RE: How For-profit Schools Have Harmed Student Borrowers: the Need for the Gainful  
Employment Rule, Vigorous Federal Oversight of Accreditors, and the Borrower Defense  
to Repayment Rule

# Restoring ACICS Recognition

**February 28, 2017**

# Gingrich Op-Ed



## Newt Gingrich: Schumer's plan to Keep Obama appointees in power

By Newt Gingrich

Published March 03, 2017

FoxNews.com

Minority Leader Chuck Schumer and the Democrats continue to snub President Trump by slowing down Senate confirmation of his Cabinet appointments. Their underlying goal is to allow remaining Obama-appointed bureaucrats to do as much damage to the Trump administration as they can before leaving.

**March 2, 2017**

# Federal Student Aid

An OFFICE of the U.S. DEPARTMENT of EDUCATION

PROUD SPONSOR of  
the AMERICAN MIND®

**IFAP**

[IFAP HOME](#)

[CLOSE WINDOW](#)

Posted Date: March 6, 2017

Author: Lynn Mahaffie, Acting Assistant Secretary for Postsecondary Education

Subject: Gainful Employment Electronic Announcement #105 - Additional Time for Submission of an Alternate Earnings Appeal and to Comply with Gainful Employment (GE) Disclosure Requirements

We are announcing that the Department is allowing additional time, until **July 1, 2017**, for institutions to (1) submit an alternative earnings appeal to the GE Debt-to-Earnings rates that were released by the Department on January 9, 2017, and (2) comply with the GE program disclosure requirements as noted in [Gainful Employment Electronic Announcement #103](#), published on January 19, 2017. This action is taken to allow the Department to further review the GE regulations and their implementation.

**March 8, 2017**



**United States Senate**  
WASHINGTON, DC 20510

March 13, 2017

The Honorable Elisabeth DeVos  
Secretary  
Department of Education  
400 Maryland Ave, SW  
Washington, DC 20202

Dear Secretary DeVos:

We write today regarding our serious concerns over the Department of Education's (ED) announcement delaying implementation of the Gainful Employment (GE) rule.

**United States Senate**  
WASHINGTON, DC 20510

March 13, 2017

The Honorable Kathleen Tighe  
Inspector General  
Department of Education  
400 Maryland Ave, SW  
Washington, DC 20202

Dear Inspector General Tighe:

We write to request an Inspector General investigation into the Department of Education's (ED) decision to delay key implementation deadlines of the Gainful Employment (GE) rule.

## For-Profit Colleges Gain Beachhead in Trump Administration

Taylor Hansen lobbied to weaken regulation of for-profit colleges. Since he joined the Education Department, it's started doing just that.

*by Annie Waldman*

*ProPublica, March 14, 2017, 8 a.m.*



*Education Secretary Betsy DeVos on Feb. 8, her first day on the job at the Department of Education (Chip Somodevilla/Getty Images)*

## *Betsy DeVos's Hiring of For-Profit College Official Raises Impartiality Issues*

By PATRICIA COHEN MARCH 17, 2017



The Ashford University campus in Clinton, Iowa, which closed last year. The university is operated by Bridgepoint Education Inc., which has faced scrutiny by federal and state watchdogs. A lawyer for Bridgepoint, Robert S. Eitel, is now an aide to the new education secretary, Betsy DeVos.

Daniel Acker for The New York Times

# With No Senate-Confirmed Appointees, Who's Helping DeVos Run the Education Department?



*Photo Credit: Getty Images*

One of the main criticisms leveled at Education Secretary Betsy DeVos during her confirmation process was her lack of experience in education policy, and during her often-

*March 19, 2017*

by **CAROLYN PHENICIE**

GOVERNMENT



# In Early Moves, Education Department Erodes Some Student Protections

By *Adam Harris* | MARCH 23, 2017 ✓ PREMIUM



In a letter to Congress, more than 50 consumer-protection, civil-rights, and college access and advocacy organizations **expressed worry** over the early moves by the department and the erosion of student protections. "We believe protections for students and taxpayers should be strengthened, not scaled back," the letter said. A decision to delay, weaken, or repeal the gainful-employment ruling, the group said, "would lead to a new race to the bottom as unscrupulous schools compete to enroll as many students as possible without regard to the quality of the training, the student's preparation, or the job prospects."

## **‘Fox Guarding the Henhouse’**

Sen. Elizabeth Warren, the Democrat from Massachusetts, has emerged as one of the more prominent voices criticizing the department's early moves on higher education. Along with several other senators, Ms. Warren has sent a series a letters regarding the higher-education task force to be led by Jerry Falwell Jr., the decision to delay gainful-employment enforcement, and, most recently, the employment of Taylor Hansen, a former for-profit lobbyist, and Robert S. Eitel, an executive at a corporate owner of for-profit colleges. In the

# THE CHRONICLE OF HIGHER EDUCATION

NEWS OPINION DATA ADVICE

☰ SECTIONS

FEATURED: [Spoiled Science](#) [24 Tips for Teaching Writing](#) [The Future of Enrollment](#) [Get the 2017 Trends Report](#)



## The Ticker

Breaking news from all corners of academe.

**TRENDING** [For-Profit Colleges](#) [Students](#) [Legal](#) [Leadership](#) [The Profession](#)

March 20, 2017 by [Fernanda Zamudio-Suaréz](#)



## Former For-Profit Lobbyist Quits Job at Education Dept.

Taylor Hansen, a former lobbyist for for-profit colleges, quit his job at the U.S. Department of Education on Friday, [Bloomberg reports](#).



**“Good Jobs and Quality Careers  
through Postsecondary Career  
Education!”**

**..... “ The first comprehensive  
proposal ever to connect  
postsecondary education with  
professional careers and jobs.”**

**CECU** | Career Education  
Colleges and Universities

THE CAMPAIGN TO CREATE

**5 Million**

Career Professionals



## Section 1: Access and Opportunity for Students

1. Year-Round Pell
2. Manage Loan Limits
3. Institutional Flexibility in Managing Loans
4. Expand Federal Direct PLUS Program
5. Connect Work Study to a Student's Studies

## Section 1: Access & Opportunity for Students

6. Career Pathways: Revise and Restore ATB
7. Electronic Disbursement of Financial Aid
8. Universal Income-Based Repayment
9. Adult Pell Grants

## Section 2. Common Metrics and Outcomes:

1. A Common Set of Metrics for All Schools:
  - Graduation Rates
  - Placement Rates
  - Total Cost of Graduation
2. Defining the Responsibilities of the Triad
3. NACIQI, The Department and Accreditation
4. The Transfer of Credit
5. Repealing, or Replacing 90/10
6. Risk Sharing

## Section 3: Innovation and Flexibility

1. Financial Aid Supporting Accelerated Academics
2. Electronic Distribution of Student Financial Aid
3. Adult Pell Grants
4. Enhanced Scorecard
5. Connecting Work Study to Student's Studies
6. Recognize the Growing Importance of Credentials

# Protecting Students:

## Section 4: Fairness for Students & Schools

- At the Beginning of their College Experience
- In Abrupt School Closures
- Through Administration of Financial Aid
- Through Basic Department Operations.



# The Timetable:

- **Board Approval on April 17th**
- **Roll-out the following week**



“...must embrace new and effective job training approaches, including online courses, high school curriculums, and private sector investment that prepare people for trade, manufacturing, technology, and other really well-paying jobs and careers.”

**“Our Time is Now!”**

**“There is More to  
Come....”**

---

**CECU** | Career Education  
Colleges and Universities

---