

**June 16, 2025**

**The Honorable Bill Cassidy  
United States Senate  
455 Dirksen Senate Office Building  
Washington, D.C. 20510**

**The Honorable Bernie Sanders  
United States Senate  
332 Dirksen Senate Office Building  
Washington, D.C. 20510**

**Dear Chairman Cassidy and Ranking Member Sanders,**

On behalf of the Veterans Education Project (VEP), I write to congratulate the Committee and your colleagues in the House on proposing much-needed postsecondary regulatory changes that are outcomes-based and place quality first in this Congress's Budget Reconciliation.

While our recent letter expressed particular concerns and areas for improvement regarding the proposed earnings test's parameters for less-than 3 year Master's and professional degree programs, we would like to express general support for The HELP Committee's proposed language that aims to curb inflationary postsecondary costs and hold institutions accountable to programs that support the long-term financial stability of postsecondary students. Directly measuring the median earnings of a program's graduates, in conjunction with those who have disenrolled, incentivizes institutions to provide more assistance, support, and accommodations to enrolled students. This in turn promotes retention and matriculation, while also directly measuring the economic impact these programs and institutions have on their students. This commonsense policy expects institutions to fulfill their side of the bargain with students and taxpayers: That their programs empower their students to earn more than they would have if they had forgone postsecondary education or training.

In keeping with the spirit of the Committee's proposed language which focuses on directly measurable student outcomes, we encourage the Committee to consider your Colleagues' proposed language in the House to retire the 90/10 rule. Originally intended as a financial safeguard, the 90/10 rule currently acts as an inputs-based test that attempts to estimate an institution's quality and outcomes. Such a policy was enacted decades before the Department of Education had access to programmatic level student outcomes that directly measure an institution's quality and affordability. In contrast, outcome-based measures such as the earning's test offered by this Committee offer a more accurate and equitable approach to ensuring that institutions deliver real results for students and taxpayers alike, while incentivizing the deflation of postsecondary costs.

Our prior research on the effects of the 90/10 rule upon student enrollment and student outcomes indicates that the 90/10 rule may exert an inflationary effect on tuition and fees, while discouraging the enrollment of economically challenged students who have an Effective Family Contribution (EFC) index of \$0. In practice, this regulation incentivizes institutions either to raise tuition in order to adjust revenue streams, thus creating additional financial barriers for students with the greatest need, or to deny enrollment to these students altogether. This makes the rule not only redundant, but also actively counterproductive to the goals of streamlining and reforming regulation to promote quality, affordability, and accessibility.

In place of retiring the 90/10 Rule, another option is also available. Waiver pathways might be sufficient to overcome the negative effects of this policy. For instance, institutions that set the cost of attendance under the maximum Federal Pell Grant amount and demonstrate quality student-outcomes could

qualify for a waiver, incentivizing affordable admission costs for all students while acting as a disincentive to inflate costs of attendance in order to pass the requirements of the 90/10 rule. Institutions that predominantly serve postsecondary students with an EFC rating of \$0 or less, and continue to demonstrate quality student-outcomes, could qualify for a tiered waiver pathway. For example, if 75% or more of an institution's student population consists of an EFC rating of \$0 or less, and the institution demonstrates quality student-outcomes, that institution would remain exempt from 90/10 requirements. For institutions with a high-need student population of between 60% and 75%, a targeted waiver could exclude those students from 90/10 compliance calculations, thereby maintaining post-secondary accessibility for these high-need students and the institutions they attend. Such waiver pathways maintain the Committee's proposed regulatory requirements for strong student outcomes while taking into consideration the postsecondary accessibility of high-need students.

Veteran students and taxpayers deserve a system of oversight that reflects the true value of educational programs. We applaud the Committee's efforts to adopt outcome-focused accountability standards for all postsecondary programs and are thankful for your continued leadership in reforming and improving postsecondary education in America.

Sincerely,

Donald Franklin  
Executive Director  
Veterans Education Project