Gainful Employment

Preparing a Public Comment – Part II
Public Comment is Easy as 1, 2, 3

1. Download the Instructions & Template
   Follow this link to download School Owners & Staff Instructions
   Other instructions and information can be found here

2. Draft Your Response to the Rule
   Using the instructions and outline provided, create your personalized comments opposing the rule as drafted.

3. Submit Your Comments
   Click here to upload your comments

For more information on the NPRM which includes the gainful employment language, please visit our Gainful Employment webpage at www.aacs.news/gainful.
GAINFUL EMPLOYMENT 2023


The beauty and wellness education sector is under attack from the Department of Education. According to the Associated Press, more than two thirds of the private cosmetology programs would lose the availability to participate in the student federal loan program. This would essentially close those schools, exacerbating a shortage of beauty and wellness professionals. With any newly proposed rules, the Department of Education allows public comments. We ask that you take a few minutes to share your concerns with the proposed gainful employment rules which will have a devastating impact on the beauty and
Instructions / Templates & Other Resources
Overview of NPRM

(1) Certification Procedures

(2) Ability to Benefit

(3) Gainful Employment and Financial Value Transparency
   • Gainful Employment (Title IV consequences)
   • Financial Value Transparency (no Title IV consequences)

(4) Administrative Capability

(5) Financial Responsibility
GE D/E Rates – AACS Opposition

• Underreporting of Income + Elimination of Alternate Earnings Appeal
  • AACS Opposition: Without mechanisms in place to account for flawed earnings data, the D/E Rate fails to accurately serve its purpose of ensuring programs lead to gainful employment
    o AACS v. DeVos: Department violated APA by failing to address issue of unreported income
    o Entrepreneurs and underreporting
    o Flexible work hours to supplement family income
    o AACS v. DeVos: Ordered removal of barriers to appeal to uphold legality of rule
    o NPRM removal of Appeal is illegal
GE Earnings Premium – AACS Opposition

• AACS Opposition: Metric Based Solely on Earnings is Flawed, Undeveloped and Arbitrary
  • Up to 66% of cosmetology programs will fail measure, lose Title IV eligibility and likely shut down (not accounting for programs that do not have EP data)
  • Basing comparison of program graduate v. high school graduate for age purposes is flawed mechanism
  • Cosmetology graduate measured three years after completion fails to capture average earnings in profession and earning trajectories
  • AACS Member default rates are low to average
  • Comparative options have higher default rates
What Can You Do?

• Draft and Submit your comment opposing the proposed Gainful Employment Rule.

• Encourage all your staff and/or faculty to submit comments.

• Connect with employers and allied companies to submit comments and for them to encourage their contacts to do likewise.

• Contact your graduates and other beauty and wellness professionals to submit comments.
GE Comments – Overall Goals

1. **Quality of Comments** – Fact and data based; tailored to your unique situation; not “form” comments.

2. **Quantity of Comments** – We need to make noise. Put effort into quality, but don’t let perfection be the enemy - file by June 20!

3. **Diversity of Comments** – All categories of impacted stakeholders should comment.
Introduction

• Introduce and provide the following information about your school:
  • Name and location
  • Please indicate that the school is a member or active with the American Association of Cosmetology Schools

• Provide reason for submitting comment.

• Provide a short summary statement on impact of Gainful Employment Rule on the school: the Rule will result in loss of Title IV eligibility, which will lead to school closure.
Suggested Comments – School Owners & Staff

Comments on Rule

• Provide additional information about your school:
  • Small business (if applicable), number of students, number of employees, program offerings, years in business
  • Provide internal data on relevant statistics, such as:
    • Default rates, graduation rates, licensure rates, and other relevant statistics

• Describe impact that Gainful Employment Rule will have on the students
  • Diversity of student population (including information on ethnicity, low-income students, and gender);
  • Emphasize the skills and value that the school offers its graduates
  • Emphasize that school provides higher education opportunities to non-traditional students.
Suggested Comments – School Owners & Staff

• Describe impact that Gainful Employment Rule will have on employees.
  • Provide relevant workforce statistics

• Describe impact that Gainful Employment Rule will have on Beauty and Wellness industry.
  • Provide statistics on industry growth, and cite the need for workers;
  • Provide information on local Community Colleges and their cosmetology offerings;
  • Provide analysis on next steps of industry if the schools are forced into closure.
Conclusion

• Provide strong statement on impact of Gainful Employment Rule: The Gainful Employment Rule will result in loss of Title IV eligibility, which will eventually lead to school closures.

• Emphasize impact on students, employees and industry as a whole

• Thank the Department for consideration of the comment.
Introduction

• State your name and your profession.

• As a graduate of a beauty and wellness school, I am opposed to the proposed gainful employment rule because of the negative impact on the beauty and wellness industry.

• Insert Bio (Tell a little about yourself, how long you have been in the profession, family, work for someone or own your own business, other attempts at education.)
Suggested Comments – Beauty & Wellness Professionals

*Comments on Rule*

• Explain in your own words why you enjoy your profession (Income, flexible hours, opportunity for growth, how it helps your family, dream career, etc.)

• Share how your education prepared you to pass your state exam and provided important skills for your career. Describe impact that Gainful Employment Rule will have on the students.

• Receiving financial aid was important and helped you attend a beauty and wellness school. Without it you may not have been able to attend.

• The intent of financial aid programs is to provide financial aid for students to attend school of their choice.
Suggested Comments – Beauty & Wellness Professionals

Comments on Rule

• Your education provided you with career opportunities that didn’t exist without it.

• You chose your profession because of demand and knew you would always have a job.

• The Department of Education is using flawed data: you earn more than $12.50 an hour, which is what some government databases indicate cosmetology school graduates earn.
Suggested Comments – Beauty & Wellness Professionals

**Closing**

- Thank the Department for consideration of the comment.
- Repeat your opposition to the Gainful Employment rules.
- Beauty and wellness careers are in high demand and Dept of Ed should be helping not hurting the schools. You would choose this training and career again as it was the right choice for you.
Suggested Comments – Allied Businesses / Employers

Introduction

• Introduce and provide the following information about your company:

• Name and location

• Statement about the company’s involvement in beauty & wellness industry and relations with schools that are members of the American Association of Cosmetology Schools

• Provide reason for submitting comment.
Suggested Comments – Allied Businesses & Employers

Comments on Rule

• Provide additional information about your company:
  • Small business (if applicable), number of employees, years in business, description of services, etc.

• Describe impact that gainful employment rule will have on employees. (Allied Businesses)
  • Provide relevant workforce statistics
  • Forecast impact to current employees

• Describe impact that gainful employment rule will have on the company and graduates of cosmetology schools. (Employers)
  • Impact on increasing demand for skilled, licenses employees;
  • Statement on hiring process and relationship with cosmetology schools; and
  • Provide relevant workforce statistics
Suggested Comments – Allied Businesses & Employers

Conclusion

• Provide strong statement on impact of Gainful Employment Rule: The Gainful Employment Rule will result in loss of Title IV eligibility, which will eventually lead to school closures that will have a devastating impact on the industry.

• Thank the Department for consideration of the comment.
How to Submit – (www.rebrand.ly/GEResponse)
How to Submit – (www.rebrand.ly/GEResponse)
Questions