

## **AHEAD Negotiated Rulemaking | 4-Digit CIP Codes for “Same Field” Classification**

*Submitted by: Employer/Business Proposal*

### **Concern**

The Department’s decision to define “same field of study” as all programs in the same 2-digit CIP is overly coarse and will create unintended and negative consequences when evaluating graduate programs, especially programs in high need fields. Accordingly, we propose modifying this to use the 4-digit CIP code.

### **Proposed Change to 34 CFR § 668.2(b)**

*Earnings threshold:*

**(1)** . . .

**(2)** *For graduate programs, based on data from the Census Bureau, the median earnings of working adults aged 25-34, with only a baccalaureate degree, who were not enrolled in an institution of higher education during the year of the*

*associated measured earnings. The median earnings will be—*

**(i)** *The lowest of the median earnings of working adults—*

A. *In the State in which the institution is located;*

B. *In the same field of study under the two-digit or four-digit CIP code in the State in which the institution is located; or*

C. *Nationally in the same field of study under the ~~two-digit four-digit~~ CIP code; or*

**(ii)** *If fewer than 50 percent of the students enrolled in the institution reside in the State where the institution is located, the lowest of the median earnings of working adults—*

A. *Nationally; or*

B. *Nationally in the same field of study under the ~~two-digit four-digit~~ CIP code.*

### **Summary of Rationale**

1. **Improved statistical reliability and reduced distortions.** Using the 4-digit CIP to identify the “same field” benchmark creates substantial statistical distortions in many fields. To highlight the substantial noise resulting from the current 2-digit CIP aggregation, please refer to the data tables referenced in the [Appendix](#) hereof. Specifically, we would note:

1. There are five 2-digit CIP codes that have more than 100% difference between the earnings of the lowest earning 4-digit CIP and highest earning 4-digit CIP (sharing the same 2-digit CIP).
2. Most notably, in healthcare (2-digit CIP = 51), where we have substantial talent shortages, we see a 250% difference between the median earnings of the highest and lowest earning 4-digit CIPs.

3. Further, key fields such as mental and social health services master's programs (CIP 51.15), aggregate programs with dramatically different bachelor's-level earnings patterns, including high-earning clinical fields such as pharmacy, registered nursing, imaging technologies, laboratory science, and respiratory therapy. The impact of this distortion is reflected in the Department's informational dataset, which shows that this crucial field (mental and social health services master's programs), have among the highest failure rates of all graduate program, at 64.3%.
  4. This data gap does not just cut off key low earning programs, we also suspect that it is overly inclusive or permissive in allowing higher earning 4-digit CIP programs (relative to their 2-digit CIP aggregation) to pass the earnings test that would otherwise fail. Illustratively, by getting the benefit of a blended 2-digit CIP median income, Pharmacy master's degrees are being compared to a deflated and erroneous 2-digit CIP median earnings, resulting in less (if any) accountability for such programs that are fortunate to be in the higher earning half of their 2-digit CIP.
  5. Using the 4-digit CIP reduces these distortions caused by unrelated bachelor's-only outlier fields, aligns the comparator with the program's intended occupational outcomes, produces more stable and statistically valid benchmarks, and reduces systematic distortions that undermine program accountability fairness. This approach is consistent with both the general purpose of the OBBBA's accountability provisions *and* the specific purpose behind Congress's inclusion of an alternative "same field" benchmark for graduate programs, which was to improve the fairness, comparability, and reliability of the earnings threshold for such programs.
2. **Textually consistent with Congressional intent based on OBBBA language.** OBBBA specifically states: "same field of study (*as determined by the Secretary*, such as by using the 2-digit CIP code)" (emphasis added). The most crucial part of this clause is the reference to the Secretary's determination, which grants the Secretary broad discretion to adopt comparison groups that accurately reflect a program's labor-market realities. Further, while the same clause references 2-digit CIP codes, it does so with the crucial qualifier of, "such as by using." If Congress intended for this to require use of the 2-digit CIP code they would not have changed this full clause to read: "as defined by all programs in the same 2-digit CIP code." This highlights that on a purely textual basis Congress intended for the Secretary to use a definition of "same field of study" that is tailored to the relevant data and field.
  3. **Consistency with the Department's Proposed Regulatory Frameworks.** The Department's discussion draft requires cohort expansion at the 6-digit → 4-digit → 2-digit CIP levels, reflecting that the Department believes 2-digit CIP codes are not sufficiently similar as a starting point and that we should look to more granular CIP codes where possible. Further, in the context of Workforce Pell, this AHEAD committee found consensus around the idea that 4-digit CIP codes was a *minimum* definition of similarity, and as such we even looked to a SOC mapping to determine when to use 4-digit vs. 6-digit CIP codes. Collectively, these use cases highlight the shared understanding that 2-digit CIP codes are insufficient for grouping programs. Given this, while we believe that 6-digit CIP codes would be optimal, we believe a

4-digit CIP code would be a fair and administratively valid classification to help ensure statistical reliability

4. **Operational Simplicity and Feasibility.** Institutions already report 6-digit CIP codes. And the Department’s existing systems already map programs to their corresponding 4-digit and 2-digit CIP groupings for multiple regulatory purposes. This proposal does *not* require new data systems or crosswalks; using a 4-digit CIP is simple, administratively light, and consistent with the Department’s established processes.

#### **A Note Regarding ACS Data Limitations**

Based on discussions with Taxpayers and the Department we understand that data limitations withing the Census Bureau’s American Communities Study may make obtaining more granular data (down to the 4-digit CIP) challenging, we do believe the Department has alternative mechanisms and methodologies available, specifically:

- Leveraging ACS PUMS OCCP and the associated crosswalks to achieve a more granular view.
- Using Department of Education or other data to make adjustments to the Census data to appropriately distribute earnings around a given 2-digit CIP median across the associated 4-digit CIPs.
- Including language in the regulatory text saying “...in the same field of study under the more granular of the four-digit CIP or two-digit CIP code, as available at that time.”
- Other methods that the Department proposes.

#### **Conclusion**

This proposal provides a narrow, principled, and administratively straightforward refinement to the “same field” comparator. It:

- Substantially improves statistical reliability while reducing statistical distortions.
- Fits squarely within the Secretary’s discretion under OBBBA;
- Aligns with the Department’s proposed cohort-construction framework and the AHEAD committee’s construction under Workforce Pell; and
- Is operationally simple and requires no new data infrastructure.

## APPENDIX – DATA TABLES

The below data tables are not reflective of what the benchmarks would be if using our proposal, as this data aggregates the median earnings of all programs provided from the Department of Education datasets, rather than using Census data per the statute. Nonetheless, this highlights the significant directional concern that exists using the current 2-digit methodology.

### Minimum & Maximum Median Earnings within 2-Digit CIPs

cip2_title	cip2	Min of md_earn_wne_p4 within cip2	Max of md_earn_wne_p4 within cip2	% Max Greater than Min
Health Professions And Related Clinical Sciences.	51	\$29,810	\$104,325	250.0%
Multi/Interdisciplinary Studies.	30	\$37,350	\$120,605	222.9%
Business, Management, Marketing, And Related Support Services.	52	\$36,106	\$93,971	160.3%
Biological And Biomedical Sciences.	26	\$44,820	\$99,539	122.1%
Social Sciences.	45	\$40,591	\$84,330	107.8%
Architecture And Related Services.	4	\$56,026	\$107,292	91.5%
Agriculture, Agriculture Operations, And Related Sciences.	1	\$41,717	\$78,704	88.7%
Engineering.	14	\$71,837	\$133,127	85.3%
Physical Sciences.	40	\$60,375	\$106,290	76.0%
Engineering Technologies/Technicians.	15	\$69,046	\$119,783	73.5%
Education.	13	\$46,205	\$79,640	72.4%
Family And Consumer Sciences/Human Sciences.	19	\$46,239	\$77,252	67.1%
Foreign Languages, Literatures, And Linguistics.	16	\$46,254	\$75,147	62.5%
Computer And Information Sciences And Support Services.	11	\$67,050	\$106,509	58.9%
Security And Protective Services.	43	\$54,668	\$85,601	56.6%
Public Administration And Social Service Professions.	44	\$48,660	\$75,742	55.7%
Transportation And Materials Moving.	49	\$82,019	\$117,912	43.8%
Parks, Recreation, Leisure, And Fitness Studies.	31	\$37,589	\$53,598	42.6%
Science Technologies/Technicians.	41	\$73,919	\$100,209	35.6%
Visual And Performing Arts.	50	\$39,496	\$53,274	34.9%
Personal And Culinary Services.	12	\$46,551	\$62,551	34.4%
Natural Resources And Conservation.	3	\$46,081	\$60,722	31.8%
Mathematics And Statistics.	27	\$75,048	\$97,793	30.3%
Philosophy And Religious Studies.	38	\$45,642	\$57,295	25.5%
Legal Professions And Studies.	22	\$53,529	\$65,907	23.1%
Communication, Journalism, And Related Programs.	9	\$50,256	\$61,680	22.7%
Theology And Religious Vocations.	39	\$41,051	\$47,224	15.0%
Psychology.	42	\$50,489	\$58,009	14.9%
Communications Technologies/Technicians And Support Services.	10	\$41,439	\$47,163	13.8%
Area, Ethnic, Cultural, And Gender Studies.	5	\$52,044	\$59,231	13.8%
Construction Trades.	46	\$87,475	\$99,249	13.5%
Mechanic And Repair Technologies/Technicians.	47	\$77,190	\$83,528	8.2%
Military Technologies.	29	\$72,903	\$78,211	7.3%
English Language And Literature/Letters.	23	\$47,842	\$49,538	3.5%
Liberal Arts And Sciences, General Studies And Humanities.	24	\$53,430	\$53,430	-
History	54	\$52,307	\$52,307	-
Precision Production.	48	\$37,055	\$37,055	-
Leisure And Recreational Activities.	36	\$45,571	\$45,571	-
Library Science.	25	\$33,809	\$33,809	-

(cont'd)

## Range of Median Earnings within 2-Digit CIP 51 (Healthcare)

cip4_title	cip4	Average of Max of md_earn_wne_p4 within cip4
Pharmacy Pharmaceutical Sciences and Administration.	5120	\$104,325
Registered Nursing Nursing Administration Nursing Research and Clinical Nursing.	5138	\$86,436
Veterinary Biomedical and Clinical Sciences.	5125	\$84,412
Clinical/Medical Laboratory Science/Research and Allied Professions.	5110	\$77,261
Medical Illustration and Informatics.	5127	\$70,795
Allied Health Diagnostic Intervention and Treatment Professions.	5109	\$70,296
Allied Health and Medical Assisting Services.	5108	\$69,489
Health Professions and Related Clinical Sciences Other.	5199	\$69,322
Dental Support Services and Allied Professions.	5106	\$68,880
Medicine.	5112	\$66,899
Health/Medical Preparatory Programs.	5111	\$64,401
Health Services/Allied Health/Health Sciences General.	5100	\$61,313
Health and Medical Administrative Services.	5107	\$61,159
Public Health.	5122	\$59,498
Communication Disorders Sciences and Services.	5102	\$58,893
Rehabilitation and Therapeutic Professions.	5123	\$58,069
Movement and Mind-Body Therapies and Education.	5136	\$57,509
Dietetics and Clinical Nutrition Services.	5131	\$55,363
Mental and Social Health Services and Allied Professions.	5115	\$51,488
Energy and Biologically Based Therapies.	5137	\$50,826
Alternative and Complementary Medicine and Medical Systems.	5133	\$41,759
Practical Nursing Vocational Nursing and Nursing Assistants.	5139	\$29,810
Advanced/Graduate Dentistry and Oral Sciences.	5105	n/a
Alternative and Complementary Medical Support Services.	5134	n/a
Chiropractic.	5101	n/a
Dentistry.	5104	n/a
Health Aides/Attendants/Orderlies.	5126	n/a
Health Professions Education Ethics and Humanities.	5132	n/a
Medical Clinical Sciences/Graduate Medical Studies.	5114	n/a
Ophthalmic and Optometric Support Services and Allied Professions.	5118	n/a
Optometry.	5117	n/a
Somatic Bodywork and Related Therapeutic Services.	5135	n/a
Veterinary Medicine.	180	n/a