

Memo on Consistent Measurement of Earnings After Completion

From: Preston Cooper and Ethan Pollack (Taxpayers and the Public Interest Constituency)

This proposed language clarifies that when the Secretary must aggregate cohorts of students who completed in multiple award years in order to create a list of students to calculate median earnings, earnings are measured the same number of years after completion for students who completed in each award year. For instance, if the Secretary must combine cohorts of students who completed in the 2026-27 and 2027-28 award years, the federal agency with earnings data measures earnings for the former cohort in calendar year 2028 and the latter cohort in calendar year 2029. The language also directs the federal agency with earnings data to adjust earnings for inflation to ensure consistency.

Proposed language in red.

Sec. 690.95: Value-Added Earnings

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(j) When calculating value-added earnings for a combined list of students who completed during multiple award years, the federal agency with earnings data measures earnings the same number of years after completion for students who completed in each award year, and adjusts such earnings for inflation to ensure consistency.