

To: Accountability in Higher Education and Access through Demand-driven Workforce Pell (AHEAD) Committee

From: Tamar Hoffman and Zoe Kemmerling, representing legal assistance organizations that represent students and borrowers, consumer advocates, and civil rights groups that represent students

Re: Scenario on Reinstatement of Eligibility for Failure to Meet Value-Added Earnings Threshold

Date: December 11, 2025

Today, we asked the Department to discuss what the timeline for reinstatement of eligibility looked like in practice and how soon a program could regain eligibility under each of the accountability thresholds in § 690.97. The Department discussed the timeline for loss of eligibility based on failure to meet completion and job placement thresholds but it did not discuss the timeline based on failure to meet the value-added earnings requirements. We are concerned that this would permit programs to continue to maintain eligibility after failure to meet the value-added earnings threshold and after having enrolled up to three years' worth of students during the "on ramp" period.

- Can the Department walk through how this process would look in practice, including with an example of the tuition and fees and earnings would look like that would result in a failure, and the change in tuition that would be needed in order to re-establish eligibility after failure based on such tuition and earnings?
- Can the Department also explain how soon a program might regain eligibility under the Department's proposed language in 690.97(c)?