

Memorandum

From: Michale McComis, Ed.D., Accreditation Constituency Representative

To: U.S. Department of Education Regulatory Negotiation Team

Date: January 6, 2026

Re: Suggested Revision to 685.300

The current edited proposal from the Department can be read/interpreted to mean that a school's eligibility to participate in the Direct Loan Program hinges on whether a/each GE program or eligible non-GE program meet the established requirements. Proposed suggested edits seek to clarify that (3) relates only to program eligibility and not overall institutional eligibility.

§ 685.300 Agreements between an eligible school and the Secretary for participation in the Direct Loan program

(a) General. Participation of a school in the Direct Loan Program means that eligible students at the school may receive Direct Loans. To participate in the Direct Loan Program, a school must—

(1) Demonstrate to the satisfaction of the Secretary that the school meets the requirements for eligibility under the Act and applicable regulations; ~~and~~

(2) Enter into a written program participation agreement with the Secretary; ~~and-~~

(3) ~~In order to maintain eligibility Ffor any GE program or an eligible non-GE program to participate in the Direct Loan Program, show that such program meets the student tuition and transparency system requirements under 34 CFR part 668, subpart Q, and the earnings accountability requirements under 34 CFR part 668, subpart S.~~

Alternative Codification:

§ 685.300 Agreements between an eligible school and the Secretary for participation in the Direct Loan program

(a) ~~General~~ **Institutional eligibility**. Participation of a school in the Direct Loan Program means that eligible students at the school may receive

Direct Loans. To participate in the Direct Loan Program, a school must—

(1) Demonstrate to the satisfaction of the Secretary that the school meets the requirements for eligibility under the Act and applicable regulations and

(2) Enter into a written program participation agreement with the Secretary.

(b) Program eligibility. For a GE program or an eligible non-GE program to be eligible to participate in the Direct Loan Program under a school's institutional eligibility, a school must show that such program meets the student tuition and transparency system requirements under 34 CFR part 668, subpart Q, and the earnings accountability requirements under 34 CFR part 668, subpart S.