



May 20, 2026

SUBMITTED VIA FEDERAL eRULEMAKING PORTAL

Mr. Joe Massman
Office of Postsecondary Education
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202

**Re: Comment on the Accountability in Higher Education and Access Through Demand-Driven Workforce Pell: Student Tuition and Transparency System (STATS) and Earnings Accountability Notice of Proposed Rulemaking; 91 Fed. Reg. 21088
Agency/Docket Number: ED-2026-OPE-0100
RIN: 1840-AE06**

Dear Mr. Massman:

As President and Co-Founder and Senior Counsel at the Defense of Freedom Institute for Policy Studies (“DFI”), we are delighted to provide DFI’s public comment regarding the U.S. Department of Education’s (“Department”) Notice of Proposed Rulemaking, 91 Fed. Reg. 21088 (Docket ID: ED-2026-OPE-0100), entitled “Accountability in Higher Education and Access Through Demand-Driven Workforce Pell: Student Tuition and Transparency System (STATS) and Earnings Accountability Notice of Proposed Rulemaking” (“NPRM” or “STATS”). DFI supports the Department’s commitment to address the challenges of higher education accountability.



(202) 627-6735



info@dfipolicy.com
dfipolicy.org



1455 Pennsylvania Avenue, NW
Suite 400
Washington, DC 20004



DFI is a national nonprofit organization focused on providing thoughtful, conservative solutions to the challenges presented by education, workforce, labor, and employment issues. DFI is led by former senior leaders at the Department who bring a unique blend of policy and legal expertise to these issues. We regularly contribute this expertise to debates concerning education law and policy, particularly the Department’s regulations issued under the Higher Education Act of 1965, as amended (“HEA”).¹ On student loan matters, DFI has been a leading voice for reform, including through major publications and amicus briefs opposing President Biden’s illegal efforts to pursue the mass cancellation of student loan debt.²

¹ 20 U.S.C. § 1001 *et seq.*

² See Brief for the New Civil Liberties Alliance et al. as Amici Curiae Supporting Applicants’ Request for Vacatur of Stay, *Alaska v. Dep’t of Educ.*, 145 S. Ct. 109 (2024) (No. 24A11); JASON DELISLE, DEFYING INTENT: BIDEN’S SAVE PLAN AND THE ORIGINAL GOAL OF INCOME-CONTINGENT REPAYMENT FOR STUDENT LOANS (2024), available at https://dfipolicy.org/wp-content/uploads/2024/06/Defying_Intent_Jason_Delisle.pdf; Michael Brickman & Robert Eitel, *Save America from SAVE Loan Forgiveness*, REAL CLEAR POL’Y (Feb. 5, 2024), https://www.realclearpolicy.com/articles/2024/02/05/save_america_from_save_loan_forgiveness_1009670.html; Robert S. Eitel & Paul Zimmerman, *Biden’s Zombie Student-Loan Bailout Continues to Stalk Taxpayers*, NAT’L REV. (Oct. 9, 2023), <https://www.nationalreview.com/2023/10/bidens-zombie-student-loan-bailout-continues-to-stalk-taxpayers/>; Angela Morabito, *Biden Just Invented a New Way to Rob Taxpayers for Student Debt Heist*, FOX NEWS (Sep. 22, 2023), <https://www.foxnews.com/opinion/biden-invented-new-way-rob-taxpayers-student-debt-heist>; Letter from Robert S. Eitel, Def. of Freedom Inst. for Pol’y Studs., et al. to Nasser Paydar, Assistant Sec’y for Postsecondary Educ., U.S. Dep’t of Educ. (Apr. 25, 2023), available at <https://dfipolicy.org/wp-content/uploads/2023/04/IDR-NPRM-Cost-Estimate-04.25.2023.pdf>; Letter from Robert S. Eitel & Paul F. Zimmerman, Def. of Freedom Inst. for Pol’y Studs., to Miguel Cardona, U.S. Sec’y of Educ. (Feb. 10, 2023), available at <https://dfipolicy.org/wp-content/uploads/2023/02/DFI-Comment-IDR-NPRM-02.10.2023.pdf>; Brief for Elisabeth DeVos et al. as Amici Curiae Supporting Respondents, *Biden v. Nebraska*, 600 U.S. 477 (2023) (No. 22-506).



Signed into law on July 4, 2025, the Working Families Tax Cuts Act (“WFTCA”) requires the Department to establish a new accountability regime for all programs that receive Title IV HEA funds. To implement these provisions of the WFTCA, the Department assembled the Accountability in Higher Education and Access through Demand-driven Workforce Pell Committee (“AHEAD Committee”), and the AHEAD Committee negotiated and achieved consensus on the Department’s proposed rule. The NPRM, published April 20, 2026, seeks public comment on those consensus regulations.³

We write to express our support for the Department’s proposed regulations. DFI believes that the federal government should pursue robust accountability in higher education and that the Department should use the authority in the HEA and the WFTCA to ensure value for money in college programs. We strongly agree with the Department’s concern about the cost of higher education.

We also have concerns with the NPRM. The Department’s proposed regulations would have a devastating and unintended impact on religious programs and institutions. DFI does not believe that Congress intended the WFTCA accountability metric to shatter religious and rabbinical programs and schools or improperly reduce the educational value of those programs to short-term earnings metrics. Indeed, the Department’s own data, shared during the negotiation sessions, indicates this disproportionate harm. DFI is concerned that the NPRM conflicts with longstanding federal policy and the administration’s policy respecting and defending religious pluralism in higher education.

Perhaps most importantly, STATS raises very serious constitutional concerns because it disproportionately burdens religious institutions and ministry and rabbinical programs based on the economic characteristics of religious vocations. A regulatory framework that conditions access to federal student aid on earnings outcomes may improperly disadvantage programs whose graduates intentionally, and by design, pursue lower-paying religious service or faith-based careers as an

³ 90 Fed. Reg. 57,454 (Jan. 30, 2026).



exercise of sincerely held religious beliefs. Although the Department has legitimate authority to establish accountability standards, those standards *must* remain consistent with the First Amendment and longstanding federal protections for religious exercise and institutional religious autonomy. Where a regulation effectively penalizes religious educational models because they prioritize spiritual formation and service over income maximization, the federal government must rethink its approach and recognize the dangerously unconstitutional grounds that it treads upon.

We have organized our comments as follows. First, we analyze the relevant provisions of the WFTCA, the legislative history, and the AHEAD Committee negotiations. We also briefly address the consensus language. Second, we support thoughtful, appropriately tailored accountability metrics in higher education and acknowledge the Department's legitimate interest in protecting students, safeguarding taxpayer funds, and improving cost transparency. Third, DFI identifies the disproportionate burden the NPRM places on religious institutions and the artificial, narrow definition of educational success that undergirds the proposal, raising serious concerns that the NPRM may unconstitutionally burden religious exercise by penalizing religious educational models. Finally, DFI offers potential solutions for the Department to consider to modify the NPRM and address our concerns.

In short, while DFI strongly supports the Department's efforts to introduce real accountability metrics into Title IV HEA programs, the Department should not burden the free exercise of religion in doing so. The Department should withdraw any proposal that perversely encourages those interested in religious programs to look at other fields of study due to the lack of federal financial assistance.

DFI urges the Department to pursue higher education accountability in a manner that remains consistent with congressional intent, constitutional principles, and longstanding federal respect for religious pluralism in higher education. Accountability metrics can and should protect students and taxpayers without unfairly penalizing institutions and programs whose missions are inherently religious, vocational, and service-oriented. The Department should therefore



revise the NPRM to ensure that religious and rabbinical programs are not disadvantaged by a narrow earnings-based framework that fails to capture the broader educational, civic, and spiritual value these institutions and programs provide to students.

I. WFTCA Provisions, Department Rulemaking, and Data Presentation

Initially, the House version of the WFTCA—H.R. 1—proposed a risk-sharing model, which would have required institutions to have “skin in the game” and share the financial losses when their graduates failed to pay off their federal student loans. But that model was rejected by the Senate in favor of an earnings premium model, which relied heavily on provisions originally included in the previous administration’s Financial Value Transparency and Gainful Employment regulations.⁴

The WFTCA made numerous changes to the HEA, including substantial additions to program eligibility requirements for the Direct Loan program and the creation of a new earnings-based accountability framework intended to limit Direct Loan access to programs whose graduates do not meet the federally prescribed earnings benchmarks. In short, Congress designed the framework to compare the median earnings of program graduates against the earnings of similarly situated working adults, requiring the Department to terminate a program’s Direct Loan eligibility if graduates fall below the applicable threshold.

In December 2025, the Department convened the AHEAD Committee to develop regulations associated with the WFTCA. On January 5, 2026, the opening day of discussions related to the law’s accountability framework and the proposed program-level earnings test, the Department delivered a presentation entitled “Estimated Impact of the Program Level Earnings Test and Changes to Gainful

⁴ See 88 Fed. Reg. 70,004.



Employment.”⁵ During that data presentation, the Department acknowledged that the most frequently failing bachelor’s degree program under its proposal would be “Religion/Religious Studies,” with approximately 53.3% of programs projected to fail the earnings threshold. The Department further noted that the impact on religious programs would be even more severe, with approximately 89.4% of master’s level “Religion/Religious Studies” programs projected to fail, second only to “Alternative and Complementary Medicine and Medical Systems.”

These figures raised significant concerns among negotiators regarding the framework’s disproportionate impact on religious education programs. Throughout the week, negotiators questioned whether the proposed framework improperly reduced the societal and educational value of religious vocations to a purely economic calculation and whether programs designed to prepare clergy, ministers, rabbis, missionaries, chaplains, or other faith leaders could realistically satisfy earnings metrics that were not designed with these programs in mind.

Notwithstanding these concerns, the Department continued to advance the proposal largely unchanged. On January 9, 2026, negotiators reached consensus on the proposed accountability regulations, despite Department data demonstrating their harmful impact on religious education programs.

II. DFI’s Expression of Support: Higher Education Accountability Is Long Overdue and Badly Needed

To begin, DFI emphasizes our support for meaningful accountability in higher education and recognizes both Congress’s and the Department’s legitimate interests in ensuring that institutions participating in Title IV HEA programs

⁵ See U.S. DEP’T OF EDUC., ESTIMATED IMPACTS OF THE PROGRAM LEVEL EARNINGS TEST AND CHANGES TO GAINFUL EMPLOYMENT (2026), <https://www.ed.gov/media/document/2025-ahead-results-of-earnings-test-and-ge-changes-112932.pdf>.



provide genuine educational value to students and responsibly steward taxpayer funds.

Accountability measures, when carefully designed and appropriately tailored, can promote transparency, strengthen institutional quality, and help protect students from excessive debt and poor educational outcomes.

DFI supports thoughtful, well-designed, transparent, and appropriately tailored accountability metrics that preserve meaningful educational opportunities for students while also protecting students and taxpayers. The federal government has a legitimate interest and role in ensuring that institutions receiving federal financial assistance operate responsibly, provide accurate information to students, and avoid practices that leave students with excessive debt. Properly designed accountability systems can strengthen confidence in higher education while promoting long-term institutional quality and student success.

DFI also acknowledges the Department's substantial and legitimate interests in protecting students and safeguarding taxpayer funds. Students and families make significant financial and personal sacrifices to pursue postsecondary education, often relying on federal financial aid programs. When institutions consistently fail to deliver meaningful educational outcomes, not only do they reduce public confidence in higher education, but they also subject students to financial hardship and diminished economic opportunities. Likewise, the federal government has a responsibility to ensure that taxpayer-supported financial aid programs are administered responsibly and directed toward programs that provide genuine value to students and the broader public.

Further, DFI recognizes the Department's interest in improving cost transparency and ensuring that students have access to understandable, accessible, and reliable information when making enrollment decisions. Prospective students must be able to evaluate educational programs with a clear understanding of costs, debt obligations, and potential outcomes. When appropriately calibrated, transparency measures can help students make informed decisions and encourage institutions



to evaluate the effectiveness and affordability of their programs; therefore, we support efforts that increase clarity and accountability.

Congress, through the WFTCA, expressed a clear interest in strengthening oversight of higher education and addressing concerns about affordability, student debt, and educational value. Congress appropriately sought to ensure that students are not routinely left with unaffordable debt burdens or poor educational outcomes after completing postsecondary programs. Thus, accountability measures can serve an important role in identifying programs that *consistently* fail to provide value relative to their costs and in encouraging institutional improvement across the higher education sector.

III. Expression of Concern: The NPRM’s Impact on Religious Programs Is Unacceptable, Unconstitutional, and Requires Modification

Notwithstanding our general support for STATS, accountability systems *must* be tailored to reflect the broad diversity of higher education institutions, especially those with religiously based educational missions, that exist across the country. A one-size-fits-all framework that relies too heavily on short-term earnings outcomes risks oversimplifying the value of higher education and may unintentionally penalize programs that serve religious missions not principally designed to maximize immediate earnings. DFI supports accountability measures that are balanced, mission-sensitive, and capable of distinguishing between genuinely underperforming programs and those with substantial religious value that may not be captured by myopic economic metrics alone.

Indeed, DFI is not the only organization sounding the alarm. Recently, an analysis of the raw data revealed that 53.3% of Title IV students in bachelor’s degree programs in religion and religious studies are enrolled in “failing” programs—a shocking statistic. Even more so, this same analysis found that 89.4% of Title IV students in master’s degree programs are enrolled in programs that will not pass



the earnings threshold.⁶ Philip Dearborn, President of the Association for Biblical Higher Education, characterized STATS as “an existential threat to the future of religious higher education.”⁷ DFI does not believe this is an overstatement.

STATS Disproportionately Burdens Religious Institutions

The proposed regulations in the NPRM will disproportionately burden religious institutions and faith-based educational programs in ways that are unsupported by the broader purposes of the WFTCA and inconsistent with longstanding federal policy. Notably, the Department’s own data presented during the negotiation sessions showed that religious and ministry-oriented programs are significantly more likely to be adversely affected by the proposed earnings-based accountability metrics. This impact is not incidental. Many religious and rabbinical programs *intentionally* prepare students for service-oriented vocations, ministry, missions, counseling, education, and community leadership roles that are often associated with modest compensation, particularly in the early years following completion.

As a result, STATS’s narrow focus on short-term earnings risks systematically disadvantaging programs whose educational missions are fundamentally different from those of traditionally market-driven professional programs.

The practical consequences of the NPRM’s framework extend beyond institutions themselves and directly impact religious communities that rely upon these programs to educate and prepare future faith leaders. Many churches, synagogues, ministries, and religious organizations depend upon accessible theological and

⁶ Ryan Foley, *Trump’s “Big Beautiful Bill” Could Drastically Impact Seminaries and Christian Colleges, School Leaders Warn*, CHRISTIAN POST (May 8, 2026), <https://www.christianpost.com/news/trumps-big-beautiful-bill-could-hurt-seminaries-leaders-warn.html>.

⁷ Emily Belz, *Christian Colleges Call New Federal Regulation an “Existential Threat,”* CHRISTIANITY TODAY (May 11, 2026), <https://www.christianitytoday.com/2026/05/christian-colleges-financial-aid-earnings-test-regulation-trump/>.



ministry training programs to sustain clergy pipelines, religious instruction, pastoral care, and community leadership. If the NPRM results in reduced Title IV eligibility or diminished program viability for religious institutions, students interested in ministry and religious vocations may face reduced access to educational opportunities and increased financial barriers to participation. Smaller religious communities, rural areas, and already-underserved communities where ministry preparation programs operate with limited resources and modest economic margins will feel these effects most acutely.

The NPRM also fails to account for nontraditional compensation structures that are common in many religious professions and faith-based communities. Compensation for clergy and ministry leaders frequently includes other forms of support that are not adequately reflected in conventional earnings data, such as housing allowances, parsonages, community-provided benefits, stipends, educational assistance, and other non-salary support arrangements.⁸ Moreover, many individuals who pursue religious vocations intentionally prioritize service, mission, and spiritual commitments over income maximization. By evaluating these programs primarily through short-term wage outcomes, the Department risks imposing an artificially narrow definition of educational value that does not reflect the realities of religious employment or the broader societal and community benefits these programs provide.

STATS Raises Serious Constitutional and Statutory Concerns

The NPRM raises constitutional concerns because of its disproportionate impact on religious educational institutions and ministry-oriented programs. Although the STATS metric may be relevant in some contexts, its application to religious education creates a constitutional tension, as it effectively penalizes institutions whose graduates pursue religious vocations associated with lower compensation.

⁸ For more information, see *Tax Topics: Topic No. 417, Earnings for Clergy*, INTERNAL REVENUE SERV., last review or updated on February 9, 2026, <https://www.irs.gov/taxtopics/tc417>.



Faith-based programs are fundamentally different from other educational programs. When a federal regulatory framework systematically disadvantages these programs because their graduates intentionally pursue lower-paying religious work, the rule risks burdening religious exercise and undermining the autonomy of religious educational institutions protected by the First Amendment and the Religious Freedom Restoration Act (“RFRA”).⁹

In short, RFRA prohibits the federal government from substantially burdening an individual’s religious exercise, unless the federal government can demonstrate that the application of such burden to the religious expression is 1) in furtherance of a compelling governmental interest and 2) the least restrictive means of achieving a compelling governmental interest.¹⁰ RFRA applies to all actions by federal administrative agencies, including rulemaking, adjudication or other enforcement actions, and grant or contract distribution and administration. Indeed, RFRA’s protections extend to both individuals and organizations.¹¹

Applying these provisions to STATS, while the government may have a compelling interest in reducing excessive student debt and protecting taxpayers, the Department cannot demonstrate that the NPRM is the least restrictive means of pursuing that interest. RFRA requires both the identification of a governmental interest *and* a showing that the government seriously considered and exhausted less restrictive alternatives that would accomplish the same purpose while imposing a lesser burden on religious exercise. Here, the Department’s own data demonstrates that religious education programs are uniquely and disproportionately affected by the proposed regulations because their graduates pursue employment that is not primarily motivated by income maximization. Indeed, the NPRM effectively penalizes institutions and programs *because* graduates choose constitutionally protected religious service over higher-paying secular employment.

⁹ 42 U.S.C. §§ 2000bb–2000bb-4.

¹⁰ 42 U.S.C. § 2000bb-1.

¹¹ *See Burwell v. Hobby Lobby*, 573 U.S. 682 (2014).



As discussed below, the Department has numerous less restrictive options to remove the burden on religious institutions. The existence of these alternatives substantially undermines any argument that the NPRM is narrowly tailored under RFRA. Where the government proceeds with a framework despite clear evidence that it disproportionately burdens religious institutions and despite the availability of workable alternatives, it risks the invalidation of that framework as an impermissible burden on religious exercise, contrary to both the First Amendment and RFRA. If the final rule fails to incorporate less restrictive approaches for religious programs, STATS is vulnerable to challenge under RFRA and the Free Exercise Clause.

Our concerns are heightened because the burdens imposed by STATS stem directly from the religious choice made by students and graduates themselves. Individuals who enroll in rabbinical schools, ministry preparation programs, and other faith-based educational pathways often do so with the *explicit* understanding that their future careers will involve modest compensation, missionary work, nonprofit ministry, bivocational service, or community religious leadership.

Plainly stated: these outcomes are not evidence of institutional failure. They frequently reflect the successful fulfillment of the institution's religious mission and the graduate's sincerely held religious commitments, which are the kind of religious protections at the core of the First Amendment and RFRA.

The federal government may not structure public programs in a manner that systematically disadvantages religious institutions because their graduates choose religious vocations or prioritize spiritual and service-oriented objectives over financial gain. STATS nevertheless risks doing precisely that by tying institutional viability and Title IV access to earnings outcomes that inherently burden religious service.

Further, the NPRM implicitly adopts a troubling premise that educational value is determined principally through economic productivity and wage outcomes. In practice, this approach means that training clergy, rabbis, ministers, missionaries, and other faith leaders is not sufficiently valuable because those graduates often earn less than graduates in secular or commercial professions.



Such a conclusion conflicts with longstanding constitutional principles protecting religious pluralism and with the broader American tradition of recognizing the social, civic, and moral importance of religious institutions and faith leadership. Religious organizations routinely provide counseling, charitable services, education, disaster relief, addiction recovery support, community development, and spiritual guidance, generating substantial public benefits that will never be reflected in federal earnings data. A regulatory framework that effectively devalues religious vocations because they produce lower monetary compensation elevates a narrow economic orthodoxy over constitutionally protected religious missions.

These concerns are particularly significant because participation in Title IV programs often determines whether students, especially poor and working-class students, can pursue religious education and ministry preparation opportunities. If religious programs lose access to federal financial aid due to earnings metrics that are structurally misaligned with religious vocations, prospective students will be discouraged from pursuing ministry or theological education altogether. In effect, the NPRM could pressure students away from religious callings and toward nonreligious fields of study simply because they satisfy federal earnings expectations. Such indirect pressure on religious educational choices raises substantial constitutional concerns,¹² particularly where the burden falls disproportionately on religious institutions, and students engaged in protected religious activity.

To be clear, DFI does not dispute the Department's authority to pursue accountability measures; however, constitutional concerns must be considered when accountability metrics fail to account for the unique role of religious education and instead operate in a manner that disproportionately burdens

¹² See, e.g., *Lyng v. Nw. Indian Cemetery Protective Ass'n*, 485 U.S. 439, 450 (1988) (“It is true that this Court has repeatedly held that indirect coercion or penalties on the free exercise of religion, not just outright prohibitions, are subject to scrutiny under the First Amendment.”).



religious institutions. We urge the Department to exercise extreme caution. Failure to do so risks transforming an otherwise legitimate accountability initiative into a regulatory structure that unduly burdens religious exercise and unintentionally damages faith-based institutions and programs.

STATS Adopts an Artificial and Narrow Definition of Educational Success

Higher education has historically served a broad range of civic, intellectual, cultural, professional, and religious purposes. Indeed, many programs are designed not to maximize immediate income, but to prepare students for lives of public service, ministry, or religious vocation. For these programs, the NPRM adopts an artificial and unduly narrow definition of educational success by resting exclusively on short-term economic return as the measure of educational value. Although earnings outcomes may be one relevant consideration in evaluating most programs, they *cannot* serve as the sole or definitive proxy for the value of a religious and theological education. By reducing educational value to wage-based outcomes, STATS overlooks that religious institutions and programs serve an economic function (for example, employment of clerics and pastoral counselors) and religious and spiritual purposes (worship, faith, and service).

Religious programs cannot meaningfully be reduced to wage metrics because their core purpose is often spiritual formation, ministry preparation, theological education, and service to faith communities rather than the pursuit of high-paying employment. Individuals who enroll in these programs do so with full awareness that their chosen vocation may not produce substantial financial rewards. In many cases, students intentionally prioritize faith commitments, community service, and religious calling over income maximization. Yet the NPRM effectively treats these choices as evidence of institutional and programmatic failure rather than of mission fulfillment. Such an approach risks penalizing institutions precisely because they succeed in preparing students for religious vocations that have historically been understood as socially valuable and constitutionally protected forms of educational activity.



Finally, STATS creates troubling incentives that will discourage students from pursuing religious education altogether. If rabbinical and ministry-oriented programs lose access to Title IV funding or become financially unsustainable due to earnings-based accountability metrics, prospective students may be pushed toward alternative fields of study that meet federal economic benchmarks rather than their needs. In practice, the proposed regulations suggest that religious vocations are less deserving of federal support because they do not pay sufficiently high wages. This result would not only undermine institutional religious missions but also diminish educational choice for students seeking faith-based careers and religious service opportunities. In an era where religious callings face myriad challenges, a federal accountability framework should not inadvertently encourage students to abandon religious programs in favor of fields chosen solely for their earning potential.

IV. Potential Solutions to Consider

Although DFI has significant concerns about the NPRM’s impact on religious institutions and programs, we believe there are several reasonable, narrowly tailored approaches available to the Department that would preserve accountability objectives while avoiding unlawful or unconstitutional outcomes.

The Department can continue to protect students, safeguard taxpayer funds, and promote institutional transparency without imposing a rigid framework that disproportionately burdens religious education and ministry-oriented programs.

To that end, DFI respectfully offers the following three potential modifications and alternative approaches to better align the NPRM with congressional intent, ease statutory and constitutional concerns about religious exercise, and recognize that faith-based institutions serve missions extending beyond short-term economic outcomes.



Exempt Religious Programs from the Earnings Metric on Constitutional Grounds

The Department must seriously consider exempting religious, rabbinical, and ministry-oriented programs from earnings-based accountability metrics on constitutional grounds. As identified above, religious education occupies a unique position within the American constitutional framework, particularly where programs are designed to prepare students for ministry, clergy service, theological scholarship, or other forms of religious vocation.

A regulatory structure that disproportionately penalizes religious programs because graduates pursue lower-paying, service-oriented religious work raises serious concerns under the First Amendment and longstanding federal protections for religious exercise. Where students knowingly and voluntarily pursue religious careers that are not principally motivated by economic gain, the federal government must exercise caution before imposing accountability standards that effectively disadvantage or discourage those educational pathways.

An exemption for religious programs would better align the NPRM with constitutional principles, longstanding federal law and policy respecting religious pluralism in higher education, and the administration's position on religious freedom and the value of faith-based education.

Create Institutional Mission-Based Adjustments

The Department should also consider creating institutional mission-based adjustments for religious programs and institutions within the accountability framework. A uniform accountability metric that evaluates all programs through the lens of short-term earnings outcomes fails to account for important distinctions between institutions and risks adversely impacting programs explicitly designed to eschew financial pursuits. Mission-based adjustments would permit the Department to preserve meaningful accountability while recognizing that certain



religious institutions intentionally prepare students for public service, ministry, or other lower-compensated but socially valuable professions.

Such adjustments could include contextual review mechanisms or tailored evaluative criteria that better reflect an institution's religious purpose and student intent. A more mission-sensitive framework would allow the Department to pursue accountability objectives without unfairly disadvantaging institutions whose educational models are not designed to maximize income.

Consider the Inclusion of Long-Term and Non-Income-Based Metrics

Finally, if the Department were to recognize the unique and constitutionally protected mission of religious programs, DFI would support the incorporation of long-term and non-income-based outcome metrics into the accountability framework for these schools and programs. Educational value cannot always be adequately measured through short-term wage data captured shortly after graduation. Particularly in religious professions, graduates may experience delayed earnings growth, pursue bivocational work, receive nontraditional compensation, or prioritize community and spiritual impact over financial return.

In addition, these religious programs produce substantial civic, social, and community benefits that are not reflected in federal earnings datasets. Metrics related to long-term employment stability, community engagement, vocational placement, student satisfaction, continuation in field of study, or service in underserved communities may provide a more complete and balanced assessment of institutional and programmatic effectiveness.

V. Conclusion

In closing, while we support the general proposition of higher education accountability, DFI respectfully urges the Department to revise the NPRM to ensure that it remains consistent with congressional intent, legal and constitutional



protections, and the longstanding federal commitment to religious pluralism in higher education. Meaningful accountability is both appropriate and necessary within Title IV programs, but accountability measures must recognize that short-term earnings outcomes cannot serve as the sole measure of institutions with religious missions. As currently structured, the Department's proposed STATS regulations disproportionately burden ministry-oriented and rabbinical programs because they successfully prepare students for service-centered religious vocations. The Department must pursue strong accountability protections without creating a framework that pushes students away from religious callings, undermines faith-based institutions and programs, or elevates narrow economic metrics over the First Amendment.

DFI encourages the Department to adopt reasonable modifications that preserve accountability objectives while ensuring that religious and rabbinical programs are not disadvantaged under the proposed rule.

Sincerely,

Robert S. Eitel

President and Co-Founder

Paul F. Zimmerman

Senior Counsel, Policy & Regulatory