

August 27, 2025

Tamy Abernathy
U.S. Department of Education
Office of Postsecondary Education
400 Maryland Avenue, SW
Washington, DC 20202

RE: Intent to Receive Public Feedback for the Development of Proposed Regulations and Establish Negotiated Rulemaking Committee Docket ID ED-2025-0151

Submitted Electronically via Regulations.gov

Dear Ms. Abernathy:

We submit this written public comment in response to the notice from the U.S. Department of Education (the Department) regarding proposed regulations for programs authorized under Title IV of the Higher Education Act (HEA) of 1965, as amended (Docket ID ED-2025-0151).

UnidosUS, previously known as NCLR (National Council of La Raza), is the nation's largest Hispanic civil rights and advocacy organization. Through its unique combination of expert research, advocacy, programs, and an Affiliate Network of more than 300 community-based organizations across the United States and Puerto Rico, UnidosUS simultaneously challenges the social, economic, and political barriers simultaneously at both the national and local levels.

General Comments on Rulemaking

As a leading advocate on education policy encompassing the perspectives of Latinos in higher education, UnidosUS expresses deep concerns about how the Department's plans implement provisions of the federal reconciliation bill, referred to as the One Big Beautiful Bill Act.

Instead of making college more affordable, the passage of the federal reconciliation budget cut \$284 billion in federal education spending, with minimal debate or public input.¹ This budget, passed by Congress, imposes unrealistic student loan repayment terms, restricts graduate loans, and strips consumer protections against fraudulent institutions.

¹ Congressional Budget Office, "Estimated Budgetary Effects of Public Law 119-21, to Provide for Reconciliation Pursuant to Title II of H. Con. Res. 14, Relative to CBO's January 2025 Baseline" (2025), <https://www.cbo.gov/publication/61570>.

Additional harm awaits students and taxpayers if the Department continues down the path of haphazardly implementing this bill, without the necessary staff, time, or resources to regulate these matters competently.

Restricting the length of these committees to just two 5-day sessions rushes the rulemaking process, inherently cutting down the opportunities for stakeholders to properly engage with the committee sessions.² As the currently scheduled dates miss the November 1, 2025 finalization deadline to be implemented by July 2026, the Department is not justified in rushing through this process and must schedule an additional session per committee.

Negotiated Rulemaking Committee Makeup

We are deeply disappointed by the Department's continual decision to purposely dilute the voices of students of color and other underrepresented students. As seen during the PSLF negotiated rulemaking, the Department collapsed representation for legal assistance, consumer advocates, and civil rights organizations under a single constituency.³ Simply put, these are separate constituencies that the Department has chosen to ignore.

Failing to include a seat for the civil rights community undercuts the legitimacy of these proposed regulations by intentionally ignoring the voices of all stakeholders. We call on the Department to add an individual civil rights negotiating seat.

RISE Committee — Student Loan Repayment

Already, the statutory changes to student loan repayment have evoked confusion and dismay for student borrowers across the country. Among these, an estimated 5.3 million Latino student borrowers could be impacted.⁴ Compared to the existing SAVE plan, estimates find that a typical borrower could be forced to pay an additional \$2,929 per year (\$244 a month).⁵ This could further exacerbate the current cost-of-living crisis, which remains the top concern for Latino voters.⁶

² U.S. Department of Education, "Negotiated Rulemaking for Higher Education 2018-19" (accessed August 12, 2025), <https://www.ed.gov/laws-and-policy/higher-education-laws-and-policy/higher-education-opportunity-act-of-2008/negotiated-rulemaking-higher-education-2018-19>.

³ U.S. Department of Education, "Negotiated Rulemaking Committee; Negotiator Nominations and Schedule of Committee Meetings," Federal Register 90, no. 90 (May 12, 2025): 31742-31750, <https://www.federalregister.gov/documents/2025/05/12/2025-08157/negotiated-rulemaking-committee-negotiator-nominations-and-schedule-of-committee-meetings>.

⁴ Eaton, Charlie, Frederick Wherry, Fenaba R. Addo, Melanie Hanson, and Christy Spivey, "Student Loan Debt by Race: Research on Borrowing, Repayment, and Default Patterns," analysis prepared for Senator Elizabeth Warren (May 3, 2022), https://www.warren.senate.gov/imo/media/doc/Eaton%20et%20al%20analysis_05.03.22.pdf.

⁵ Student Borrower Protection Center, "Economic Analysis of Senate HELP Recon Framework" (June 2025), https://protectborrowers.org/wp-content/uploads/2025/06/Economic-Analysis-of-Senate-HELP-Recon-Framework-6_10.pdf.

⁶ UnidosUS, "Nearly Two-Thirds of Hispanic Voters Believe Country Is Headed in the Wrong Direction; 70 Percent Hold President Trump Responsible," UnidosUS press release(2025), <https://unidosus.org/press-releases/nearly-two-thirds-of-hispanic-voters-believe-country-is-headed-in-the-wrong-direction-70-percent-hold-president-trump-responsible/>.

Over half of Latinos surveyed by UnidosUS report struggling to keep up with their student loan⁷ Rushing these borrowers into the new repayment plan would be disastrous, especially if this is done without considering the impact, for example, of imposing minimum payments on the lowest-income borrowers.

The Department should keep the currently available IDR plans open for current borrowers as long as possible, up until the July 1, 2028, statutory deadline. Doing so will allow current borrowers to prepare for increased monthly costs and alleviate the worst outcomes, such as default, in the meantime.

A shocking 40% of Latino student loan borrowers have already defaulted.⁸ Latino borrowers are more likely to be delinquent or fall behind on their payments compared to white borrowers, a downward spiral that is exacerbated when students are unable to complete their degree and gain the earnings boost needed to pay off their financial obligations.⁹ This is not their fault—the majority of these students come from low-income backgrounds, are the first in their family to graduate college, and have limited financial resources and guidance. This profoundly affects Latinos' ability to find a job, rent a home, and maintain a professional license. An easily accessible, borrower-friendly plan must be made available to alleviate the burden for those in default.

AHEAD Committee — Gainful Employment/Accountability

Gainful Employment

We urge the Department, under the AHEAD committee, to remain committed to ensuring the full implementation of the existing Gainful Employment (GE) and Financial Value Transparency (FVT) regulations.

We strongly supported the 2023 rule that established baseline protections against fraudulent and predatory behavior by for-profit colleges that disproportionately targeted and recruited students of color in low-value programs.¹⁰

When controlling for student demographics, students in programs at for-profit institutions have lower earnings and higher debt burdens than those in similar programs in other sectors.¹¹ In

⁷ UnidosUS, "Second Edition of Our Latino Banking and Financial Health Survey" (2024), <https://unidosus.org/publications/second-edition-of-our-latino-banking-and-financial-health-survey/>.

⁸ The Pew Charitable Trusts, ("The Student Loan Default Divide: Racial Inequities Play a Role" (April 4, 2025), <https://www.pewtrusts.org/en/research-and-analysis/reports/2024/12/the-student-loan-default-divide-racial-inequities-play-a-role>.

⁹ UnidosUS, "Growing Student Debt Impacts Latino's Financial Futures" (July 2021), https://unidosus.org/wp-content/uploads/2021/07/unidosus_highereducationact_studentborrowers.pdf.

¹⁰ UnidosUS, "Comments on Docket ID #: ED-2023-OPE-0089" (August 2023), https://unidosus.org/wp-content/uploads/2023/08/unidosus_gainfulemploymentrulecomments.pdf.

¹¹ National Association of Student Financial Aid Administrators (NASFAA), "Untangling Gainful Employment: Mapping a Path Toward Accountability in Higher Education" (2025), https://www.nasfaa.org/news-item/31544/Untangling_Gainful_Employment_Mapping_a_Path_Toward_Accountability_in_Higher_Education.

fact, within 12 years of graduating, Latinos who attended for-profit institutions were nearly four times as likely to default compared to Latinos who did not attend a for-profit institution.¹²

Any attempt to weaken regulations will allow bad actors free rein to recruit aggressively, charge excessive tuition for low-value credentials, and leave students with mountains of debt for relatively worthless degrees.¹³

Furthermore, we applauded FVT's commitment to increased transparency across all sectors, regarding the cost of college, student debt, and postgraduation earnings. As Latino students tend to be the first in their families to go to college and often come from low-income backgrounds, FVT allows these students and their families to make informed decisions about their postsecondary options, which should be of utmost importance.

Implementation of the accountability regime proposed under the reconciliation bill should complement, rather than replace, the 2023 GE/FVT rule. Given the exclusion of non-degree certificate programs from the accountability regime, a robust GE/FVT rule is critical to protecting students and taxpayers from predatory institutions.

Program Quality and Workforce Pell

As the conversation turns to the implementation of the new accountability and Workforce Pell provisions, we urge the Department to take a student-oriented approach to protect students from low-value programs.

Latino students clearly see college as an aspirational pathway to life goals, such as earning well-paying jobs and providing a better life for their families.¹⁴ The Department must not allow bad actors to take advantage of these aspirations, leaving students stuck with the worst outcomes, such as high debt burdens and no degree. Through the negotiating process, the Department must ensure proper guardrails keep predators away from accessing Title IV funding.

Ultimately, students and taxpayers cannot afford for the Department to exacerbate the devastating impact of these cuts through inadequate rulemaking. For all these reasons, we express our grave concerns with the Department's approach to developing proposed regulations for programs authorized under Title IV of the HEA, as dictated by the reconciliation legislation.

¹² Scott-Clayton, Judith, "The Looming Student Loan Default Crisis Is Worse Than We Thought," Brookings Institution (January 2018), <https://www.brookings.edu/wp-content/uploads/2018/01/scott-clayton-report.pdf>.

¹³ UnidosUS, "Combatting Predatory Inclusion: The U.S. Department of Education's New Gainful Employment Rule Holds For-Profit Institutions of Higher Education Accountable for the Outcomes of Latino Students," UnidosUS progress report (January 29, 2024), <https://unidosus.org/progress-report/combatting-predatory-inclusion-the-u-s-department-of-educations-new-gainful-employment-rule-holds-for-profit-institutions-of-higher-education-accountable-for-the-outcomes-of-latino-students/>.

¹⁴ UnidosUS, "Survey of Latinos in Higher Education" (2024), <https://unidosus.org/publications/latinos-and-higher-education-survey/>.

Should you have any questions regarding these comments, please contact Magin Sanchez, Senior Policy Analyst, Higher Education, at msanchez@unidosus.org.

Sincerely,

Magin Sanchez
Senior Policy Analyst, Higher Education
UnidosUS