



FOR IMMEDIATE RELEASE
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NBCC Calls for Congress to Stop Gainful Employment Implementation

Rule is unfair, unwise and illegal

WASHINGTON: In response to the publication of the controversial “Gainful Employment” rule by the Department of Education, Harry Alford, president of the [National Black Chamber of Commerce](#) (NBCC) and Lanny Davis, NBCC spokesperson and former Clinton White House special counsel, issued the following statements, calling upon Congress to stop the Department of Education from implementing a rule that will prevent low-income and minority students from attending proprietary colleges and universities:

“While there were some improvements from the department’s initial draconian proposal aimed at killing career colleges, Congress must immediately put a stop to this rule for three reasons: first, it remains in our view unfair-- targeting only for-profit career colleges, on which minorities and low-income students heavily depend; second, it is unwise and impractical -- it doesn’t address the national issue of excessive student debt from federal loans and increased costs of higher education; and third, it is probably illegal. It is the result of a biased rule-making process that essentially targeted only one sector of post-secondary institutions. Moreover, it is beyond the department’s legal authority to regulate in such a broad, new policy-making fashion. We call upon Secretary Duncan to suspend all implementation until Congress can evaluate and carefully review. Congress must step in to create reform that is fair, effective and a remedy for colleges across the board -- not just the career college sector.” -- Harry Alford, president and CEO, National Black Chamber of Commerce.

“The Gainful Employment regulation cannot and should not be enforced until Congress reviews the biased, secretive, and short-seller-influenced process that led to a rule that targets solely the for-profit college sector. The department did improve in certain respects its awful first draft that was, in effect, aimed at harming (not reforming) career colleges. It allows for a ‘transition’ period of using transparent Bureau of Labor Statistics to determine a student’s actual earnings after they graduate. But why would the Department of Education ever switch to non-transparent system, potentially using private social security income data that would jeopardize a student’s privacy and expose minority and lower income students to loss of their student loans? How can a

Democratic administration ever prefer a 'black box,' presumption-of-guilt, data set that could hurt poor and minority kids - the most vulnerable people in our society? It's time for Secretary Duncan to turn on the amber light and support a Congressional investigation of this flawed, biased, and probably illegal rule-making process." -- Lanny Davis, attorney for the National Black Chamber of Commerce

About NBCC

The NBCC reaches 100,000 Black owned businesses. There are 1.9 million Black owned businesses in the United States. Black businesses account for over \$138 billion in annual sales. African Americans have over \$1 trillion in expendable income each year according to the US Bureau of Census. The National Black Chamber of Commerce is dedicated to economically empowering and sustaining African American communities through entrepreneurship and capitalistic activity within the United States and via interaction with the Black Diaspora.

For more information, please call NBCC at (202) 466-6888 or visit www.uneducatedpolicy.com.

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