

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

R. BRUCE JOSTEN
EXECUTIVE VICE PRESIDENT
GOVERNMENT AFFAIRS

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202/463-5310

April 24, 2015

The Honorable Lamar Alexander
Chairman
Committee on Health, Education,
Labor, and Pensions
United States Senate
Washington, DC 20510

The Honorable Patty Murray
Ranking Member
Committee on Health, Education,
Labor, and Pensions
United States Senate
Washington, DC 20510

Dear Chairman Alexander and Ranking Member Murray:

The U.S. Chamber of Commerce, the world's largest business federation representing the interests of more than three million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations, and dedicated to promoting, protecting, and defending America's free enterprise system, respectfully submits comments in response to the HELP Committee's staff white paper, *Federal Postsecondary Data Transparency and Consumer Information Concepts and Proposals*. The Chamber is pleased to have the opportunity to provide input to the Committee as you begin deliberations as part of the Higher Education Act (HEA) reauthorization.

Higher education has long played a vital role in driving America's economic success. In order to keep up with the steady increase in demand for skilled workers as well as ensure success of our diverse student population, the Chamber believes the nation must undertake a significant rethinking of the current higher education system. Such a system must have the flexibility to be innovative and responsive to employers, through improved alignment with career readiness. It must also expand exposure to what students will experience and need to know in the workforce so they are prepared for the jobs of today and tomorrow.

Federal Postsecondary Transparency and Consumer Information

The Chamber is in full agreement with the goals set forth under this white paper to:

- Ensure public access to accurate, comparable data on institutions of higher education; and
- Ensure that this information is purposeful and consumer friendly in order to enable students and families to select the college, university, or other postsecondary program that best fits their needs.

Good data drive informed decision-making on the part of students and parents, which in turn drives institutions to focus more on student success and quality. However, for a market-based framework to work, many issues must be addressed, several of which are noted in the white paper. In particular, the Chamber agrees that the problem is not necessarily a lack of data, but a lack of *good* data that serve the needs of consumers (including parents, students, and

employers) and policymakers. We also recognize that even when there are good data, those data can be difficult to access when navigating the higher education marketplace.

The Chamber supports many of the concepts laid out in the paper that address these issues, including “eliminating data collection or disclosures unrelated to the needs of federal program management or consumer decision-making,” and believes the idea of a study on the usage of data from the perspective of students and families, not just researchers, is a good place to start. However, any such study should consider the perspective of employers, who are also consumers of this data and end customers of higher education.

The white paper also calls for increased data quality and transparency. This has been a concern of the Chamber, particularly given the limitations of the Integrated Postsecondary Education Data System (IPEDS), which serves as the main source of institutional information available to students. Since IPEDS is limited to just first-time, full-time, degree seeking students, institutional information released by the Department often only reflects a small percentage of the student population of many institutions—particularly those in community colleges and the for-profit sector. This in turn has led to skewed or misleading information being provided to students and the public. The Chamber is pleased progress is finally being made to address these limitations in IPEDS and agrees with the position stated in the paper calling for implementation of these reforms before making any further changes. The Chamber also supports the suggestion that the National Student Loan Data System be used to analyze the return on investment in student aid programs. This information, at the institutional level, would provide a useful tool for students and employers alike.

The Chamber is pleased that the paper suggests consideration of the creation of a student unit record system at the federal level. Such a system, created with clear objective and intended audience, could provide useful improvements in what is currently a burdensome and ineffective system for determining institutional outcomes. In addition, the Chamber believes that alternative data sources, such as LinkedIn or state resume banks, should be explored because a collection of coexisting systems provided through an open data architecture could greatly expand the information available to consumers. In each of these areas, there must be strong provisions in place to ensure privacy in the collection and use of the data; there are examples from other efforts that show it can be done.

As highlighted above, the issue is not only collecting the data, but also making sure the data are usable. The paper offers several interesting suggestions for improvements in this area. Conducting extensive consumer testing should indeed be central to this task. Too often, policymakers and researchers make assumptions about how data are accessed and used that are not based in reality. The paper’s example of the problems resulting from prospective students’ use of net-price calculators highlights this fact. Consumer tests would likely bolster the argument that parents and students are simply seeking information on the true cost of attending a particular institution as well as the institution’s student learning outcomes, transfer-of-credit policies, completion rates, labor market outcomes, and any relevant information from recent accreditation reviews that would affect student success.

Consumer testing would also likely demonstrate that much of the data currently collected is simply not worth the burden and cost to institutions to collect and report. The Chamber was pleased with the Task Force on Federal Regulations of Higher Education and believes many of

the recommendations in the final report related to the overly burdensome reporting requirements must be addressed as part of any proposal to reauthorize the Higher Education Act.

The Chamber is pleased that the issue of data and transparency is at the heart of your early reauthorization considerations and looks forward to working to help move forward many of the ideas and concepts raised in this paper.

Conclusion

The Chamber supports your strong desire to move forward with the reauthorization of the Higher Education Act in a way that asks the right questions and does not settle for simply the same policies that have been in place for decades. This is a refreshing approach, and the Chamber would be pleased to participate in continuing discussions of the issues covered in this paper, and any others. As the marketplace of postsecondary education continues to expand, the employer community is well positioned to provide input on how to create improved postsecondary programs and school-to-work transitions that will benefit student success in careers and life.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Bruce Josten", written in a cursive style.

R. Bruce Josten

cc: Members of the Committee on Health, Education, Labor, and Pensions