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OPEN FORUM: Dept. of Education rule would limit student loans

By Byron Chung San Francisco Chronicle

The U.S. Department of Education is considering a rule that would prevent hundreds of thousands of Americans from acquiring the job skills they need to work in today's competitive marketplace. The proposed rule would deny funding that provides access to programs and degrees for high-demand jobs.

This is especially concerning for our students at The Art Institute of California -- San Francisco, where we are dedicated to career-oriented education in the fields of fashion, media arts, design and culinary arts. Of all 2008 graduates of the Art Institute, 89.2 percent of those available for employment were working in a field related to their program of study within six months of graduation. The nearly 1,500 students who are currently pursuing degrees here are enrolled in programs focused on skills that will prepare them for a future in a design-related profession. Our instructors are experienced professionals, who help students develop a body of theoretical and practical knowledge appropriate to his or her degree objective.

The Department of Education's ruling, called the Gainful Employment rule, would hamper students' ability to pursue careers of their choice. Entire programs now available under Title IV financial aid could be deemed ineligible if the department's one-size-fits-all, debt-service-to-income ratio test does not meet the rule's criteria. The rule is discriminatory; it holds a bias against students who must borrow money to attend college by limiting access to postsecondary education.

It would diminish Title IV financial aid available to students and have an adverse impact on programs at career colleges across the country.

The Art Institute of California -- San Francisco works very hard to provide our students with every opportunity while enrolled at our institution, and we deliver skills necessary to be a valuable member of the workforce. With our nation's unemployment rate hovering near 10 percent, it is obvious that we need to improve career preparedness and the job skills of American workers. Our national economic recovery is dependent upon the higher education community to produce qualified graduates to fill jobs that create and fuel economic growth. Yet, under the Department of Education's proposed rule such individuals, who may secure positions with entry-level salaries, would be barred from receiving the same federal aid as their counterparts who choose more lucrative careers.

There is no justification for a single, bureaucrat-driven magic formula that prescribes an appropriate amount of debt incurred by graduates at various levels. A major policy initiative such as Gainful Employment should be appropriately handled by Congress, through hearings, fact-finding, analysis, debate and passage of legislation. I caution the Department of Education against this approach and the ramifications that can result from a Gainful Employment rule. It is urgent that any rule that limits student choice, be reconsidered.

Byron Chung is the president of the Art Institute of California -- San Francisco.