

115TH CONGRESS  
1ST SESSION

# H. R. 4029

To direct the Secretary of Education to make reasonable adjustments to earnings data for graduates of cosmetology gainful employment programs.

---

## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 12, 2017

Ms. SPEIER introduced the following bill; which was referred to the Committee on Education and the Workforce

---

## A BILL

To direct the Secretary of Education to make reasonable adjustments to earnings data for graduates of cosmetology gainful employment programs.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Accurate Income Meas-  
5 ure Act of 2017” or the “AIM Act”.

6 **SEC. 2. ADJUSTMENTS TO RULE RELATING TO GAINFUL**  
7 **EMPLOYMENT.**

8 (a) ADJUSTMENTS TO RULE.—For any rule promul-  
9 gated by the Department of Education relating to title IV  
10 of the Higher Education Act, Program Integrity, Gainful

1 Employment (including 79 Fed. Reg. 64890 (October 31,  
2 2014), and any other related rule that may be promul-  
3 gated by the Department) (referred to in this Act collec-  
4 tively as the “Rule”), the Secretary shall ensure that—

5           (1) for covered programs, any earnings data for  
6 graduates utilized in the Rule shall recognize the  
7 finding of the United States District Court in the  
8 case titled “American Association of Cosmetology  
9 Schools v. DeVos (Civil Action No.: 17–0263 (RC))”  
10 that the use of Social Security Administration earn-  
11 ings data alone as a measure of graduate earnings  
12 is problematic, and shall reasonably account for esti-  
13 mated under-reporting of earned income by grad-  
14 uates; and

15           (2) any institution offering a covered program  
16 may appeal a zone or failing debt to earnings rate  
17 by submitting, as alternate earnings data, the most  
18 current earnings data issued by the Bureau of Labor  
19 Statistics for the most relevant geographical region,  
20 at no higher than the 50th percentile, for the Stand-  
21 ard Occupational Classification code, or combination  
22 of such codes, in which graduates were placed in or  
23 found employment.

1 (b) PROHIBITIONS.—Until the date on which the Sec-  
2 retary issues the adjustments to the Rule required under  
3 subsection (a)—

4 (1) all covered programs shall be exempt from  
5 the Rule;

6 (2) the Secretary shall not publish final debt-to-  
7 earnings rates for covered programs;

8 (3) notwithstanding any other provision of law,  
9 institutions of higher education providing covered  
10 programs shall not be required to report the debt-  
11 to-earnings rates of covered programs on any con-  
12 sumer disclosures relating to gainful employment;  
13 and

14 (4) the Secretary shall not determine any cov-  
15 ered program ineligible to participate in programs  
16 authorized under title IV of the Higher Education  
17 Act of 1965 (20 U.S.C. 1070 et seq.) due to the ap-  
18 plication of the Rule.

19 (c) STUDY.—The Secretary, jointly with the Commis-  
20 sioner of the Internal Revenue Service, shall carry out a  
21 study to develop a method of adjusting earnings data  
22 under the Rule to account for the underreporting of in-  
23 come by graduates of covered programs.

24 (d) DEFINITIONS.—In this Act:

1           (1) COVERED PROGRAM.—The term “covered  
2 program” means an educational program that—

3           (A) is designed to lead to gainful employ-  
4 ment (as that term is used in sections 101(b)  
5 and 102(b) of the Higher Education Act of  
6 1965) (20 U.S.C. 1001(b); 1002(b)); and

7           (B) is identified by Department of Edu-  
8 cation Classification of Instructional Program  
9 codes 12.0401 through 12.0499, 51.3306, or  
10 51.3501.

11          (2) INSTITUTION OF HIGHER EDUCATION.—The  
12 term “institution of higher education” means an in-  
13 stitution described in section 101(b) or section  
14 102(b) of the Higher Education Act of 1965 (20  
15 U.S.C. 1001(b); 1002(b)).

16          (3) SECRETARY.—The term “Secretary” means  
17 the Secretary of Education.

○