ACCJC | ACCREDITING COMMISSION FOR COMMUNITY AND JUNIOR COLLEGES

Outcomes | Innovation | Improvement

Dear Colleagues,

I am writing to share an update on the first two days of the Department of Education's negotiated rulemaking on Accreditation, Innovation, and Modernization (AIM), now underway in Washington, DC. Given the potential implications for accreditation and institutional practice, we want to ensure our member institutions remain informed and engaged.

> Day 1 focused on establishing committee process and composition, the Department's framing of its accreditation priorities, and an initial walkthrough of proposed regulatory text in Parts 600.11 and 602. Department leadership emphasized modernizing accreditation, strengthening accountability, and improving alignment with student outcomes, underscoring accreditation's role as a federal gatekeeper for Title IV participation. The committee also heard a presentation from the Department's Office of the Chief Economist examining competition in the accreditation space, including market concentration, limited accreditor switching, and variation in student outcomes within accrediting agencies.

The committee began a line-by-line review of draft regulatory language addressing accreditor switching, federal "link" requirements, new accrediting agencies, and clarifications regarding the effect of recognition relative to antitrust law. Significant discussion also centered on proposed revisions to the longstanding requirement that accreditors be "separate and independent," particularly as it relates to governance, shared services, and potential conflicts of interest. While no consensus actions were taken, the Department acknowledged multiple drafting concerns and indicated it would revisit language for clarity.

Key Takeaways:

- Undersecretary of Education Nicholas Kent's remarks emphasized accountability and *student outcomes* as central to the Department's accreditation priorities.
- The Department raised concerns about limited competition and weak links between accreditation and outcomes, while clarifying it is not acting as an antitrust enforcer.
- Proposed revisions to the "separate and independent" requirement, particularly in the context of programmatic accreditation, are an important area to watch.

Day 2 continued the detailed review of Part 602, with extensive discussion of accreditation standards and the practical implications for institutions and accreditors. Negotiators examined proposed language related to accreditor organization and independence, administrative and fiscal responsibilities, and accreditation and pre-accreditation standards.

Discussion of "separate and independent" requirements continued, and the committee also reviewed proposed revisions aimed at streamlining requirements while retaining core expectations related to issues such as staffing, training and financial capacity. However, much of the day focused on proposed revisions related to accreditation standards. The use of "should" versus "may" or "must" and whether ED language risks being prescriptive of accreditor standards rather than evaluative of accreditor processes were key areas of review. Additional discussion addressed student achievement measures, comparability across institutions, potential indirect federal influence over faculty staffing models, the challenges of applying cost-benefit frameworks to essential student services, and the need to safeguard students from harm. Several issues were identified for further drafting and caucus discussion, but no formal actions were taken

Key Takeaways:

- Negotiators expressed concern about importing corporate governance concepts into accrediting practice.
- Significant attention was given to expanding expectations tied to cost-benefit analysis and return on investment, and the potential for increased administrative burden and cost for institutions.
- Ongoing debate continues regarding federal versus accreditor roles in setting standards, as well as accreditor responsibility related to civil rights compliance.

As this work continues, I encourage you to visit ACCJC's AIM Negotiated Rulemaking FAQ webpage, which we will continue to update as new information becomes available.

Finally, I want to share my appreciation for the opportunity to engage with so many of you this week through ACCJC's Transparency, Storytelling, and Value Literacy Project regional convenings. I have valued the thoughtful conversations around student return on investment, and the chance to connect at the same time the Department and negotiated rulemakers are meeting in DC to consider proposed changes that could have far-reaching impact.

The conversations we are having together reinforce that this is a moment that will require adaptation and transformation, but it is also a moment to continue highlighting the phenomenal work taking place every day at our two-year institutions.

Thank you, as always, for your continued partnership and leadership. More to come.

Mac

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