Senators Warren, Durbin, and Schatz introduce:

The Accreditation Reform and Enhanced Accountability Act

Modernizing the higher education quality assurance system to improve student outcomes, reduce student debt, and safeguard taxpayer investments

The most basic building block of our economy is a highly educated workforce, and higher education is a critical pathway of opportunity for students seeking to gain a foothold into the American middle class. For over 50 years, the goal of the federal government’s investment in higher education is to expand access for all students. However, as student debt balloons to over $1.3 trillion, it is becoming clear that too many students are left with crushing debt and poor prospects in the job market.

College accreditation is the cornerstone of the nation’s higher education quality assurance system — safeguarding the integrity of American higher education, guaranteeing quality for students and families, and serving as a critical gatekeeper to tens of billions of dollars a year in student aid investments from the federal government. But this system is broken. Lack of accountability and poor oversight have allowed poor performing and even fraudulent colleges to flourish at the expense of students and taxpayers, leading to The Wall Street Journal calling college accreditors “watchdogs that rarely bite”.1

Congress must ensure that students are accessing a high-quality education that will improve their lives, not leave them jobless and bankrupt. It became painfully evident with the recent closure of Corinthian Colleges and ITT Tech, which were both still accredited at bankruptcy, that the failure of our quality assurance system hurts students and costs the government billions of dollars. It is time to bring our nation’s higher education accreditation system into the 21st century to improve the quality of higher education, protect students, and safeguard taxpayer investments.

The Accreditation Reform and Enhanced Accountability Act (AREAA) recognizes the importance of accreditation in continuous, peer-directed institutional improvement—but modernizes college accreditation by refocusing accreditation on the most important question: how well are colleges serving their students? Currently, accreditors spend too much time looking at the wrong things; this legislation calls on accreditors to evaluate quality in the context of actual student outcomes, rather than just inputs.

The Accreditation Reform and Enhanced Accountability Act would:

- **Require** the Department of Education to establish standards for student outcome data (e.g. loan repayment rate, loan default rate, graduation rate, retention rate, student earnings, job placement rate, etc.) that accreditors must use when evaluating colleges, including minimum baseline thresholds for select outcomes metrics that colleges must meet in order to remain accredited.
- **Safeguard** access by giving accreditors the ability to evaluate college affordability and Pell student enrollment levels.
- **Strengthen** consumer protections by forcing accreditors to respond quickly to federal and state investigations and lawsuits regarding fraud, and by requiring accreditors to take action to protect students in the face of other warning signs of institutional instability.
- **Increase** transparency around accreditation decisions for students, families, and regulators.
- **Clean-up** conflicts-of-interest in college accreditation between accreditors and the colleges they accredit.
- **Increase** accountability by giving the Secretary more authority to terminate or fine accreditors that fail to do their job.

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