

The Facts on Student Value and Data

Last Updated August 2025

Overview

Taxpayers invest billions of dollars each year in federal student aid and higher education funding, and they deserve to know whether those investments are delivering real value. Public support for greater transparency is strong: New America’s [annual nationally representative survey](#) consistently finds near-universal agreement that colleges and universities should provide clear, publicly available data on outcomes like employment and earnings. Federal tools like the [College Scorecard](#) are a step in that direction, but current systems fall short of providing the full picture.

That’s why forthcoming regulations called [gainful employment and financial value transparency](#) are so important. These rules would extend value-based accountability to some career-oriented programs and transparency to all programs, identifying which ones leave graduates earning more than high school graduates and able to repay their student loans. In order to understand outcomes even better, we need [a modern, privacy-protected data system](#) that links existing student records and tracks outcomes in a comprehensive way. Notably, both gainful employment and improving our data infrastructure have gained bipartisan interest, suggesting a growing recognition that data transparency and accountability in higher education transcend party lines.

Key Challenges

- **The Education Department’s reduction in force (RIF) effectively cut its staff in half.** Among the hardest hit was the Institute of Education Sciences—the Department’s independent research and statistics arm—which is responsible for producing rigorous, objective evidence to inform education policy and practice. Within the Institute, the National Center for Education Statistics plays a critical role as the primary federal entity for collecting and analyzing data related to education in the U.S., including overseeing key surveys like the National Postsecondary Student Aid Study and the Integrated Postsecondary Education Data System. The reduction in force eliminated [90 percent of the Institute’s employees](#), leaving only a skeleton staff and effectively gutting its ability to fulfill its Congressionally mandated responsibilities. Additionally, right before the RIF, the Institute [canceled](#) almost all research grants and contracts in February 2025. Contracts [to conduct data collection](#) and maintain data tools that provide important student outcome information were among those cancelled. The cuts in staff and contractors will inevitably result in pauses to research and data collection efforts, slow down data reporting, disrupt service to publicly available data tools that allow researchers to access otherwise restricted data such as [DataLab](#), and harm ongoing and future research to understand programmatic impacts and student learning outcomes.
- **The Education Department’s gainful employment and financial value transparency regulations are critical to protecting students and taxpayers, yet their implementation remains at risk.** Gainful employment establishes minimum standards for career training programs by

tying eligibility for federal aid to whether graduates earn enough and can also reasonably repay their loans. Financial value transparency requires the public release of program-level earnings, debt, and other value metrics for all higher education programs so that students and families can make informed choices. Without full implementation and enforcement, which depend on timely and accurate data collection, low-value programs can continue enrolling students and receiving federal aid with little to no accountability. Delays in data release would stall the rollout of the program-level information that the financial value transparency regulations promise, while weak enforcement would prevent the Department from cutting off federal funding to gainful employment programs that consistently fail to deliver economic value, allowing predatory or ineffective providers to operate unchecked.

- **The absence of a [comprehensive, privacy-protected student-level data system](#) continues to hinder the nation's understanding of higher education's true value.** Currently, data are fragmented across agencies and rely on outdated, institution-level reporting that masks important variation in outcomes by program, credential level, and student demographics. This limits the federal government's capacity to answer basic questions about which programs lead to strong economic returns and which leave students worse off. Without a modern system that can securely link existing education and workforce data, efforts to improve college accountability, support student decision-making, and ensure effective use of taxpayer dollars will remain incomplete and less effective.

Policy Goals

Students and taxpayers deserve to know which postsecondary programs lead to meaningful employment and financial stability.

- **Policymakers should work toward building a modern, secure data system that links student records across institutions and over time to accurately track outcomes like completion, earnings, and loan repayment.** Strengthening the federal data infrastructure in this way would enable more timely, transparent, and disaggregated reporting—giving students and families the information they need to make informed choices.
- **Policymakers should support data-driven accountability frameworks that ensure federal aid flows to programs that demonstrate value,** including those where graduates earn more than high school graduates and can successfully repay their loans. The One Big Beautiful Bill Act made great strides in accountability, but layering differing sets of statutory and regulatory requirements on programs could make implementation a challenge. Policymakers must monitor the regulatory process to ensure programs are held accountable in the ways the statute intends.
- **Ensure the Department of Education is adequately staffed and resourced to collect and maintain the data necessary to implement laws and associated regulations.** A well-supported department, including its statistical arm, is essential for ensuring students are protected and public investments in higher education deliver meaningful returns.