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## FOR-PROFIT COLLEGE TRADE GROUP SUES OBAMA ADMINISTRATION

By Josh Mitchell  
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The main trade group representing for-profit colleges sued the Obama administration Thursday to block new rules that threaten to imperil thousands of career-training programs across the U.S.

The suit, filed in U.S. District Court in Washington, targets a plan cemented by the Education Department last month and set to take effect next year. The plan would strip federal funding from programs that consistently leave graduates buried in debt and with weak job prospects.

The Association of Private Sector Colleges and Universities, which represents 1,400 for-profit schools, said the rules violate federal law.

"If successful, our suit will protect student access and opportunity to higher education at a time when the U.S. Department of Education seems interested in limiting choices for students by closing private sector programs," Steve Gunderson, APSCU's president and CEO, said in a statement.

In the lawsuit, the group contends the Education Department lacks the authority to set a standard for how high graduates' debt-to-earnings may be before schools are punished. The group also contends the metric is arbitrary and unfairly targets private-sector schools.

The administration has said the gainful-employment rules are permitted under existing law and will apply to vocation programs at public schools. The rules apply to individual programs at institutions, such as those that award certificates in auto mechanics.

The administration says the law, as written, prevents the rules from covering four-year, degree-granting programs at public and nonprofit colleges.

The group succeeded in blocking an earlier version of the so-called gainful employment regulations during President Barack Obama's first term. In that case, a federal judge concluded that a portion of the rule was arbitrarily drafted.

In rolling out the latest version last week, administration officials said they believed the new rules could survive a legal challenge. They said the rules are designed to crack down on colleges that aggressively recruit students – many from poor families – with unrealistic promises that they'll find high-paying work after they graduate.