

United States Department of Education
400 Maryland Ave. SW
Washington, DC 20202

Comment RE: Docket ID ED-2023-OPE-0030

To Whom It May Concern:

I write today to express my opposition to potential changes by the Department of Education to the bundled services exception that has been the foundation of the collaboration between universities and Online Program Managers (OPMs) throughout a period of steady growth in online education.

Government overreach, even when it is well-intentioned, is a barrier to progress. The addition of extensive new regulatory requirements reliably discourages economic growth and investment. Whether a new regulatory structure takes the form of new permitting requirements, broader reporting, stricter oversight, or otherwise, the net impact is typically reduced activity and efficiency.

The education technology sector is no exception. That is why the so-called bundled services exception, which empowers Institutions of Higher Education (IHEs) to freely enter partnerships with Online Program Managers (OPMs), must be preserved. If the department were to release updated guidance that eliminates this exception, there would be serious implications not just for the education sector itself, but also for the students it serves.

The many benefits of online education are clear. Through rapid advances in education technology, students across the U.S. are more readily accessing education that can prepare them for a bright future and strengthen our national outlook in the process. Online education – so often developed and powered by universities in close collaboration with OPMs – brings a first-rate learning experience into reach for students who might otherwise have been unable to access a classroom for a host of reasons.

Data shows that students and faculty who utilize online education are extremely satisfied with the experience. A [survey of 700 undergraduate students](#) conducted in 2021 found that 95% of online college graduates would recommend online learning, and 70% of those surveyed said that online education was better than or equal to in-person learning.

The methods and tools developed through online programs also translate to the in-person classroom. A Harvard University task force, meanwhile, found that [more than 80% of faculty](#) at the storied university were interested in adding digital tools adopted while teaching remotely to their in-person classes.

These benefits are not isolated. The progress driven through collaboration between OPMs and IHEs is readily scalable across the broad American higher education system. OPMs have helped colleges and universities to expand and customize coursework to the needs they see in their students. This represents a significant positive development in the ability of traditional IHEs to serve today's students in a way that aligns with their desired career path.

In addition to the clear benefits provided by OPMs and the revenue sharing partnership with IHEs, the Department of Education's apparent concern regarding the impact of OPMs on student debt have not been adequately substantiated. A wealth of data demonstrates that online education is more cost effective than in-person education. According to the [Department's College Scorecard for 2019](#), at

schools where 80% of students take all their courses online, students' median federal loan debt is \$10,638. At schools with no online focus, median federal debt is \$18,750.

Ongoing collaboration between schools and OPMs is poised to drive continued innovation in this critical field, benefiting students and the education system as a whole. The ED's apparent dissatisfaction with OPMs and the revenue sharing model through which they work with universities would seriously endanger this innovation.

Education has become more inclusive thanks to online tools. The Department must understand that revoking the bundled services exception would threaten that inclusion by eliminating programs that empower traditionally marginalized Americans. This is an unacceptable outcome. Ensuring the broadest access possible to quality education across the economic and social spectrum should be the Department of Education's top priority.

Thank you for your consideration,

Respectfully,

Steve Pociask
President/CEO
American Consumer Institute