

The AIM Proposed Rule

What Private Career Education Needs to Know

U.S. Department of Education | Notice of Proposed Rulemaking

34 CFR Parts 600, 602 & 668 • Docket ID ED-2025-OPE-1042 • RIN 1840-AD82

Published August 20, 2026 • Comments due September 21, 2026

Sources: the Federal Register NPRM (91 FR 53940) and a detailed sector compliance analysis of the AIM rule. Institutions are encouraged to comment on provisions they support or have concerns with before September 21, 2026.

Overview: A Comprehensive Rewrite of Accreditor Recognition

This rule marks a shift toward more accreditor competition and a data-driven, outcomes-based model of program review. For career schools, the practical effects land in three buckets: how you choose an accreditor, what compliance and reporting you and your accreditor must handle, and how program quality gets measured.

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| 1 | Student Outcomes, ROI & Program Design | New outcome metrics, ROI review tied to cost of attendance, cost-benefit analysis, and protection for accelerated programs. |
| 2 | Changing Accreditors & Competition | Faster switching, a compressed 240-day recognition review, and no more geographic/“regional” restrictions. |
| 3 | Legal Compliance & Accreditor Responsibility | Continuous federal-link requirements, accuracy duties, and much faster accreditor reporting cycles that flow down to schools. |
| 4 | Conflict of Interest & Independence | Accreditors must fully separate from affiliated trade associations by mid-2027, with no more shared-resource waivers. |
| 5 | Transfer Credit & Student Mobility | A presumption favoring transfer credit, written denial rationales, a 15-day appeal window, and pre-enrollment disclosure deadlines. |

Key Dates and How to Engage

1

Apr 23, 2025

Executive Order 14279 signed, directing accreditation reform.

2

Jan–May 2026

AIM negotiated rulemaking committee convenes; reaches consensus May 21, 2026.

3

Aug 20, 2026

NPRM published in the Federal Register (91 FR 53940).

4

Sep 21, 2026

Public comment period closes — submit institutional comments before this date.

5

Jul 1, 2027

Proposed deadline for accreditors to fully separate from affiliated trade associations (2028 for existing facility leases).

Act before September 21, 2026. Cite specific section numbers (e.g., § 602.17, § 602.24), state agreement or disagreement, and support your position with data or documented institutional experience. The outcome-metrics language in § 602.17 is genuinely ambiguous — worth addressing directly if it affects you.

Student Outcomes and Performance Metrics

5

Outcome Measures Named in § 602.17

WHY IT MATTERS

This is the most substantive change for day-to-day academic operations. Institutions should start assembling clean, program-level completion, licensure, and earnings data now, and coordinate with the separate STATS and Earnings Accountability framework so the numbers match across both.

Proposed § 602.17 rewrites how accreditors must evaluate program quality — centering outcomes, ROI, and cost.

§ 602.17(a)

Five named outcome measures. State licensing/certification results; retention, completion, or graduation rates; post-completion outcomes; standardized testing performance; and economic outcomes using STATS wage data or other reliable earnings data.

ROI

Return-on-investment review. Accreditors must weigh educational and economic returns against a program's credential level, length, and occupational context relative to total cost of attendance.

§ 602.17(a)(3)

Cost-benefit analysis. Accreditors must review an institution's budget, resource allocation, and strategic plan, weighing expected benefits against financial, administrative, and opportunity costs — including capital-expenditure effects on future budgets.

Ambiguity

Metric discretion — still being clarified. Negotiators understood agencies would apply the metrics most relevant to their own programs, not a mandated one-size-fits-all set. The current text is confusingly framed, and clarifying alternative language is worth proposing in comments.

Program Design and Academic Standards



Protected:
Accelerated Programs

OPPORTUNITY FOR CAREER ED

For institutions that have led on accelerated and competency-based program design, the explicit bar on categorical restrictions for short programs with comparable outcomes opens real room for continued innovation — as long as the outcomes data backs it up.

Beyond outcomes, § 602.17 reshapes how program length, review methods, and academic-freedom standards get evaluated.

§ 602.17(a)(4)

Program length, evaluated both ways. Accreditors must assess whether length fits program objectives and credential level. Categorical restrictions on short-term/accelerated programs with comparable outcomes are barred — but overly long programs designed mainly to draw more federal aid also face scrutiny.

Self-study

Comprehensive review replaces mandatory self-study. The current mandatory self-study requirement becomes a broader “comprehensive review process” that may include self-study but isn't limited to it — more flexibility for institutions and accreditors alike.

Faculty & integrity

New academic-freedom and integrity standards. Accreditors must evaluate whether institutions apply academic-freedom protections consistently regardless of viewpoint (religious-mission exception applies), maintain an intellectual-diversity policy, and enforce research-integrity policies on plagiarism, fabrication, and misconduct.

Related

“Bare Minimum” rule connection. AIM doesn't directly change the Bare Minimum certification-procedures rule, but signals an alternative approach that leaves length/design determinations to accreditors. Department court filings suggest intent to reregulate that rule separately.

Changing Accreditors and Accreditation Competition

720→240

Recognition Review
Timeline Cut

DUE DILIGENCE NOTE

Faster new-agency recognition is good for choice, but it shifts more responsibility onto institutional leadership to vet a newer accreditor's track record, financial stability, and standards before committing to a change.

The rule removes long-standing barriers to switching accreditors, holding multiple accreditors, or forming new accrediting agencies.

§ 600.11

Easier to switch or hold multiple accreditors. “Reasonable cause” is presumed unless the Secretary finds the institution is evading law, dodging enforcement, or gaming the system — including switches following a withdrawal, revocation, or show-cause order at a prior accreditor. Public disclosure required within 10 business days, plus notice to current students and recent grads.

§ 602.11

Geographic identity eliminated. Builds on 2019 reform and 2026 guidance to fully eradicate “regional” vs. “national” terminology. The Secretary can't assign, favor, or restrict accreditors by geography, or delay/condition Title IV participation because an institution switches.

§ 602.12 / § 602.31

New accreditors, faster. Eliminates the two-year operating-history requirement for new agencies and compresses the Department's own recognition review from roughly 720 days to 240 days — expect newer agencies to enter the market faster.

Legal Compliance and Accreditor Responsibility

12mo→90

Compliance Report
Review Window Cut (Days)

ACTION

Ask your accreditor directly how the compressed 90-day/45-day Department review cycle will change your institution's own reporting deadlines and turnaround expectations.

Accreditors face tighter, continuous oversight duties — and much faster Department review cycles that will flow down to institutions.

§ 602.10

Continuous federal-link requirement. An accreditor must keep showing that at least one institution actively relies on its accreditation for Federal aid eligibility — on an ongoing basis, not just at initial recognition. Institutions using smaller or specialized accreditors should track this.

§ 602.17(e)-(f)

Accuracy and misrepresentation duties. Accreditors must ensure their own public statements are accurate and correct materially inaccurate representations about an institution's accreditation status — and institutions should expect closer accreditor review of their own public accreditation claims in return.

Reporting speed

Faster compliance cycles flow downhill. Accreditor compliance-report review compresses from 12 months to 90 days, and an accreditor's own response window shrinks from 180 to 45 days. Expect accreditors to push matching documentation requests to institutions on a faster cadence — talk to your accreditor now about how this will flow down.

Conflict of Interest and Accreditor Independence

**Jul 1,
2027**

Compliance
Deadline

WHAT TO ASK YOUR ACCREDITOR

Does the agency currently share personnel, facilities, equipment, or budget oversight with an affiliated trade or professional association? If so, what is its plan — and timeline — to demonstrate full independence before the 2027/2028 deadlines?

Accreditors must fully separate from affiliated trade associations — the current waiver process goes away on a fixed timeline.

§ 602.14

Waiver process eliminated. Removes the current regulatory waiver that let accreditors share personnel, equipment, facilities, or budget oversight with a related trade association. Full compliance is required by July 1, 2027 (July 1, 2028 for agencies with existing shared-facility leases).

Ask your accreditor

Independence plan matters. Institutions tied to an accreditor with an industry or professional-association relationship should ask how that agency plans to demonstrate independence going forward — failure to do so could eventually affect the agency's own recognition status.

Verify directly

Confirm your own exposure in writing. Whether this provision touches you at all depends entirely on your specific accreditor's ties, not on any trade group's status. Ask your accreditor directly and get its independence status in writing as part of standard due diligence.

Transfer Credit Requirements and Student Mobility

15
days

Appeal Window for
Denied Credit

CHECK YOUR TIMELINE

Does your current transcript-review process finish before a student signs an enrollment agreement or makes a non-refundable payment? If not, this provision requires a workflow change, not just a policy update.

New rules create a presumption favoring transfer credit, tight new deadlines, and expanded teach-out planning duties.

§ 602.24(e) / §
668.43

Presumption favoring transfer credit. Institutions must publish detailed transfer-of-credit criteria (academic standards, time limits, curricular requirements) and presume comparable coursework from another recognized institution should transfer. Denials need a written, course-specific rationale, and students get 15 calendar days to appeal.

Pre-enrollment
deadline

Review must finish before enrollment. Institutions must complete the transfer-credit review and disclose results to the student before an enrollment agreement is signed, registration is completed, or a non-refundable payment is made — check whether your current transcript-review turnaround can meet this.

§ 602.24(c)(1)

Teach-out plans due within 30 days. A qualifying event — including a shift from full to provisional Title IV certification — triggers a 30-day deadline to submit a teach-out plan. If no teach-out agreement can be secured, institutions may document why and provide financial protection, such as a letter of credit, instead.

Provisions of Particular Interest to Our Institution

Five provisions stand out as especially relevant to how career education institutions operate day to day.



Credit Transfer Parity

Other institutions can no longer deny your students' transfer credit solely because your school holds “national” rather than “regional” accreditation — evaluation must be based on academic comparability, reducing a historical barrier for trade-school alumni pursuing further degrees.



Elimination of “Regional” Stigma

The Department explicitly eradicates “regional” accreditor terminology, so the market stops treating national accreditation as a lesser status.



Strict ROI Metrics

Accreditors must judge programs on graduates' earnings relative to total cost of attendance, alongside licensure pass rates and completion rates — meaning programs need genuine, demonstrable employer demand.



Protection for Accelerated Programs

Accreditors cannot categorically prohibit or unreasonably restrict short-term or accelerated programs. A short-term trade program with employment outcomes comparable to a traditional-length credential is protected.



Increased Accreditor “Mobility”

Institutions can more easily switch to or add a different recognized accreditor, without geographic constraints or Department retaliation — as long as the change isn't made to dodge findings, sanctions, or revocation from a current accreditor.

What Proprietary Schools Should Do Now

1

Submit a comment before Sept. 21, 2026

Cite specific sections (e.g., § 602.17, § 602.24), support your position with institutional data, and flag any concern about the ambiguous outcome-metric language.

2

Pressure-test your transfer-credit workflow

Confirm transcript review can finish — and be disclosed to the student — before an enrollment agreement is signed or a non-refundable payment is made. Build in the 15-day appeal window.

3

Review teach-out and closure contingency plans

Make sure you can produce a teach-out plan within 30 days of a qualifying event, including a shift to provisional Title IV status, and understand the letter-of-credit alternative.

4

Ask your accreditor about compressed timelines

Find out how the Department's 90-day compliance-report review and 45-day agency response window will change your own reporting deadlines.

5

Confirm your accreditor's independence plan

If your accreditor has any trade-association ties, ask about its plan to meet the July 2027/2028 separation deadline under § 602.14.

6

Get outcome and earnings data audit-ready

Build clean, program-level completion, licensure, and earnings data, and coordinate registrar, financial aid, and accreditation-liaison staff across the AIM and STATS frameworks.

SOURCES & FURTHER READING

Primary Documents

Federal Register NPRM	Accreditation, Innovation, and Modernization: The Secretary's Recognition of Accrediting Agencies (91 FR 53940, Aug. 20, 2026)	<i>federalregister.gov/d/2026-17001</i>
Public Docket & Comments	Docket ID ED-2025-OPE-1042 — submit or read public comments	<i>regulations.gov/docket/ED-2025-OPE-1042</i>
Sector Compliance Analysis	Comprehensive review of the AIM NPRM — operational analysis of RIN 1840-AD82	<i>internal compliance review</i>
Executive Order 14279	“Reforming Accreditation to Strengthen Higher Education” (Apr. 23, 2025)	<i>federalregister.gov/executive-order/14279</i>

Note: this NPRM is a proposed rule only — all provisions described are subject to change based on public comment and the Department's final rule. This briefing summarizes proposed regulatory text and is not legal advice; consult counsel before submitting formal comments or altering institutional policy.