



## Message from AACS President, Frank Trieu

February 10, 2017

Dear AACS Members-

Thank you for your membership. As an association, we are here to work on behalf of your schools, students, and industry. As your President, I am committed to keeping the membership informed with as much transparency as possible.

Earlier today, AACS filed a lawsuit against the U.S. Department of Education in Washington, DC. The lawsuit seeks to prevent the Department from enforcing the Gainful Employment rule against our member schools.

The position of the lawsuit is that the rule treats our schools unfairly due to the acknowledged underreporting of income by beauty industry professionals. Under the previous Administration, the Department recognized this flaw in the regulations; however, it consistently declined to take any action to address the problem. With the mandatory warnings required to be provided by failing programs this week, your Board of Directors felt it had no choice but to take this dramatic, if undesired, step in defense of our members, our students, and our industry. A copy of the lawsuit is available [here](#) and the accompanying press release is available [here](#). We are represented in the case by Edward Cramp and his law firm, Duane Morris.

Please be assured that we will continue to work through our GR team, led by Neal

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Heller, and Public Policy Advocate, Tom Netting to try to find a permanent legislative solution to this problem. However, we are prepared to carry this litigation through to the end if necessary to protect our members and the students they serve.

It is important for you to know that the lawsuit will not bring immediate relief from GE. Schools should continue to provide the Student warnings and to pursue completion of their appeals, if any. However, we expect that if we are successful in our litigation effort, we hope to have a positive outcome by early summer. Please stay tuned for updates.

As I am sure you can appreciate, there is a significant expense associated with pursuing this litigation to defend our members. Our treasurer, Michael Halmon, will be coordinating fundraising efforts to help defray the costs involved. Please give what you can—and more—to help in this regard.

We will be giving an update at the [Spring AACS Leadership Retreat](#) in May and look forward to seeing you there.

Sincerely,

**Frank Trieu**

AACS President

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