



STUDENTS CAN'T AFFORD TO BORROW MORE AND PAY MORE

Keep Higher Education Accessible by Preserving Federal Student Aid Programs

Preserve Federal Student Aid Programs.

- **For undergraduate students:** Maintain key student aid programs. Federal aid programs (e.g., *inflation-adjusted Pell Grants, subsidized loans, the Supplemental Educational Opportunity Grant—or SEOG—program*) are the framework around which college aspirations and successes are built.
- **For graduate students:** Maintain graduate student loan options (e.g., *Grad PLUS Loans*), *Work-Study eligibility*, strong repayment terms, and loan forgiveness benefits (e.g., *Public Service Loan Forgiveness*) that put graduate and professional studies within the reach of all students. Should the available federal student loan capacity diminish for graduate and professional students, they will increasingly be forced into more expensive, risky private student loans.

Any simplification of these programs would have to ensure that the needs of undergraduate and graduate students are still met.

Federal Student Aid Programs are Indispensable.

The government's investment in student aid through Title IV of the Higher Education Act is essential to making higher education accessible for many students. Federal aid provides ladders of opportunity for individuals and also serves as an investment in our country.

- **America has a long tradition of supporting higher education**, from the Morrill Act of 1862 to the Post-9/11 GI Bill of 2008.
- **A postsecondary education has never been more important.** Bachelor's degree holders experience significantly greater employment opportunities and higher earnings potential, and—as a result—contribute far more in taxes than non-degree holders.¹
- **Federal grant and loan programs are especially important for students from historically underserved groups.** Federal grant and loan recipients are more likely to be from lower socioeconomic status families and to be students of color. As a result, these students would likely be most affected by cuts to federal student aid programs.²

By the Numbers:

- In the 2015-16 academic year, 39 percent of all undergraduates received federal Pell Grants, 31 percent of undergraduates took out Direct Subsidized Loans, and 10 percent of graduate students took out PLUS Loans.³
- The median four-year college graduate who enrolls at age 18 and graduates in four years can expect to earn enough relative to the median high school graduate by age 34 to compensate for being out of the labor force for four years and for paying the costs of tuition, fees, books, and supplies without any grant aid.¹
- From 2016 through 2026, positions requiring a master's degree are expected to grow 17 percent. Thirteen percent growth is expected in positions requiring a doctoral or professional degree.⁴

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