



Higher Education

Request

- Support efforts to improve the affordability and accessibility of higher education for all students.
- Preserve the Public Service Loan Forgiveness Program (PSLF) and sufficient income-driven repayment options for federal student loans.

Higher Education Plays a Key Role in Americans' Economic Fortunes

Median earnings for adults with a bachelor's degree are approximately 64 percent higher than those with just a high school diploma, according to data from the Bureau of Labor Statistics. Yet, student loan balances constitute the largest source of debt for American households. The average member of the Class of 2015 with student loans owed approximately \$34,000 at graduation.

Talking Points

- While we applaud efforts in Congress to simplify federal student assistance, simplification must not come at the cost of making college more expensive for millions of students and families.
- The Public Service Loan Forgiveness (PSLF) program was enacted with bipartisan support in 2007, partly in order to create incentives for motivated and committed individuals to pursue careers in service to the public.
- While many museum jobs require bachelor's or even advanced degrees, nonprofit museum professionals often do not earn as much as they might in the private sector. PSLF is a vital tool in allowing talented and highly trained employees from all socioeconomic backgrounds to work at organizations that make an impact in their community.
- The PSLF program is affordable. The Congressional Budget Office estimates that the federal government will profit from federal student loans by \$81 billion in the next decade. Most estimates of the cost of PSLF over that time period range from \$6-8 billion.
- Museums are essential educational assets in their communities, spending more than \$2 billion on education programming and providing millions of hours of instruction to students and teachers alike.

Background

The Public Service Loan Forgiveness program (PSLF) was created by the College Cost Reduction and Access Act of 2007. It allows borrowers to earn forgiveness on eligible loans only after they work full-time in a qualifying public service position while making 120 on-time monthly payments on their loans. A wide range of other federal initiatives—such as Pell Grants, subsidized loans, income-driven repayment, and Supplemental Educational Opportunity Grants (SEOG)—also play a key role in helping students afford to obtain higher education.

Status

On December 13, 2017, the House Committee on Education and the Workforce passed H.R. 4508, the Promoting Real Opportunity, Success, and Prosperity through Education Reform (PROSPER) Act, which would reauthorize the Higher Education Act (HEA). The legislation provides a small boost to Pell Grants for certain students and seeks to expand apprenticeships and streamline regulations. It would also eliminate subsidized loans, PSLF, and SEOG while making income-driven repayment slightly more expensive for low-income workers. The Senate Health, Education, Labor, and Pensions (HELP) Committee has not yet considered HEA reauthorization, but has indicated it is a priority in 2018.