

National Goal of Debt-Free College in America: A Blueprint

As a postsecondary degree has become more important than ever in the labor market, the U.S. has simultaneously made it more difficult and more expensive to attain. The cost of college has risen more than 250% over the last 3 decades, making it impossible for the vast majority of students to graduate without debt. That debt constrains their career choices and makes it more difficult for them to establish their own households and families, save for retirement, and fully participate in the U.S. economy.

With the cost of college skyrocketing -- and completion rates stagnating -- there is an urgent need to return to a system of public higher education that can be debt-free. **All students should have the ability to attend public colleges and universities and graduate without debt.**

Debt-free education has 3 important components: 1) aid to states, 2) aid to students, and 3) reducing the underlying cost of college.

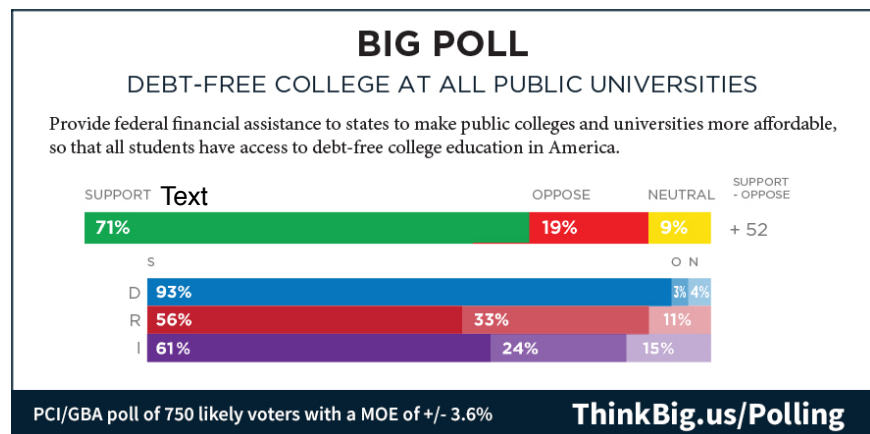
Aid to States

The federal government currently does little to encourage states to fund their higher education budgets. For much of our history, this was not a problem.

State funding used to cover the vast majority of revenues received by state colleges and universities. But states have cut funding dramatically in recent decades, and federal financial aid has failed to keep pace with rising costs.

In order to ensure adequate education funding at public universities, the federal government could provide aid to the states to fund students' tuition.

However, tuition is not the only cost incurred by



Paid for by the Progressive Change Campaign Committee PAC (BoldProgressives.org) and not authorized by any candidate or candidate's committee.

undergraduates -- costs of living, books, transportation, computers, and other expenses make up the majority of the financial requirements of attending college.

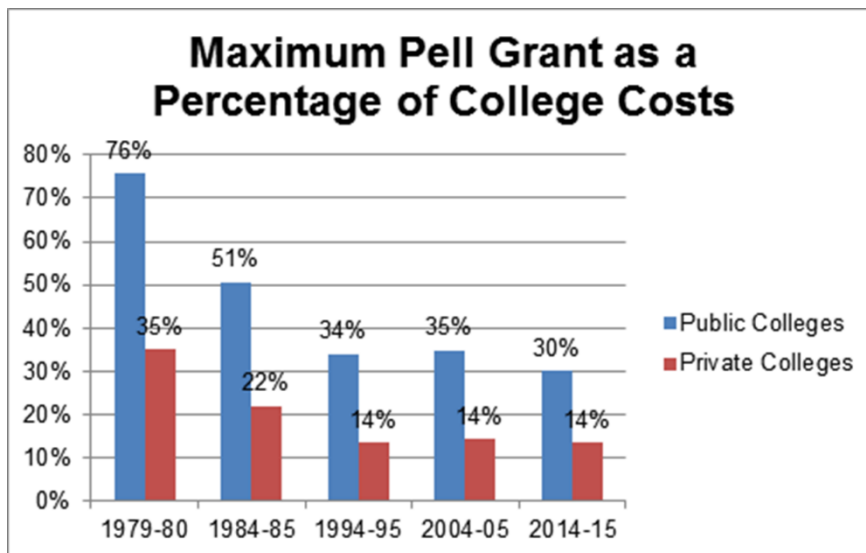
Thus, even if states or the federal government covered 100% of tuition, there would still be a need to provide students with financial aid to cover the cost of attendance. The “non-tuition” expenses for students who receive Pell Grants average nearly \$12,000 per year at public 4-year schools, and more than \$8,500 per year at public 2-year schools. Given that the maximum Pell Grant is only \$5,730, very few students are able to use Pell Grants to cover both tuition and expenses without needing to borrow or find another source of financing.

A simple and progressive way to ensure these costs can be covered would be to ensure tuition is covered at public institutions while still allowing students to access Pell Grants to cover non-tuition costs.

Helping Students Cover College Costs

Increasing Pell Grants

The maximum federal Pell Grant hasn't kept pace with the skyrocketing cost of college. And starting in 2018, the Pell Grant is not even scheduled to increase with economy-wide inflation, much less skyrocketing tuition.



In tandem with state investment, the federal government could do more than simply index the Pell Grant to inflation, but renew the guarantee that it will cover the majority of non-tuition college costs for low-income students, as it did in the past.

Paid for by the Progressive Change Campaign Committee PAC (BoldProgressives.org) and not authorized by any candidate or candidate's committee.

Reducing the Underlying Cost of College

To decrease the cost of debt-free education, measures could be put into place aimed at reducing the underlying cost of college and increasing accountability.

Reducing Underlying Costs

Proposals could include, but are not limited to the following:

- Increasing college credit received at the high school level by expanding accelerated learning programs like Advanced Placement Courses (AP), dual-enrollment programs, Early College High School programs, and Accelerated Degrees.
- Improving and standardizing transfer credits between state and community colleges to ensure coursework completed by students goes towards their degrees, and that students aren't repeating work solely because they transferred.
- Investing in developing programs that enhance learning both online and in the classroom, and use technology to reduce overhead costs while maintaining quality.
- Reducing the cost of textbooks and supplies by expanding open-access textbooks on campuses or putting them online.

Increasing Accountability

Accountability proposals could include, but are not limited to:

- Implementing rigorous evaluations of all cost-reduction measures to ensure their efficiency and effectiveness.
- Creating and implementing concrete rules and caps for advertising, including that no federal money should be used for advertising.
- Institutions should be required to produce data on the graduation rates of Pell Grant recipients and other underserved students, alumni employment status and enrollment in graduate school, cumulative debt for graduates and non-graduates, graduates' debt-to-income ratios, and other crucial data.
- Requiring institutions with large endowments to use their own funds to guarantee debt-free college, rather than subsidizing extremely wealthy institutions that can afford it.