



Education | Healthcare | Public Services

AFT Higher Education

Dear AFT Higher Education Leaders and Members,

This morning, **the House passed by one vote legislation that will strip critical funding from our colleges and universities in order to pay for tax cuts for the wealthy**-- making a college education more unaffordable for all of us and completely unobtainable for some, just to give billionaires another handout.

Now, the legislation moves on to the Senate. **If enacted, these policies will exact significant harm to our students and higher education in the United States.** Read on to get a full explanation.

This bill will increase costs for students and their families:

- **Slash healthcare and food assistance (Medicaid and SNAP)**, which will impact the nearly 1 in 4 college students nationwide who are experiencing food insecurity. The loss of food and healthcare supports will create serious health and well-being consequences. These cuts will threaten students' ability to secure a postsecondary education, which could position them for better lives.
- **Cut access to Pell grants**, which 6.6 million low-income students rely on to help pay for college. These cuts disproportionately target part-time students whose work and family responsibilities don't allow for a full-time course load. These part-time students are just as worthy of grant aid as full-time students and their proportional access to grant aid should be preserved. [[More detail from the Center for American Progress here.](#)]
- **Leave 5 million students without adequate financial aid** by [establishing median cost-of-attendance price caps](#) that would cut the amount of grants or loans available to help them afford college. These nationwide price caps will have an outsized impact on high cost of living areas where tuition reflects higher property values and labor costs. Students deserve access to higher education in their own communities.
- **Put colleges partially on the hook for unpaid student loans**, which would ultimately restrict access for students hoping to pursue a college education -- especially those at public regional and minority-serving institutions that serve high populations of low-income students, which will get hit the hardest by this measure.
- **Threaten open-access institutions who enroll "risky" students or prepare public servants** by tracking student earnings and loan repayments for decades and assessing fees

based on this data. Instead of focusing on the very real problems in higher education that sometimes result in students not being able to make their student loan payments, risk-sharing encourages colleges to view students with suspicion to protect their budgets. The consequences will be particularly dire for critical public service careers that help our communities thrive.

- **Cut off access to graduate school** by capping lending at \$100,000 for most graduate programs and \$150,000 for professional programs such as medicine and law.
- **Take away options for income-driven repayment plans** for 12.49 million borrowers; enrollees in the SAVE Plan will see their payments triple.

This bill will decrease protections for students and their families:

- **Force 425,824 students into private loans** lacking consumer protections by eliminating grad PLUS loans, resulting in the exploitation of borrowers with no way to fight back.
- **End borrower defense relief for students** who were scammed by predatory colleges, such as the 1.7 million defrauded students who've successfully recouped their losses.
- **Remove safeguards against high-cost, low-quality career education programs** that leave an estimated 700,000 students with unaffordable loan payments and no job prospects by eliminating the gainful employment rule.

This bill will inflict unprecedented chaos into the student aid system

- **A gutted Department of Education and federal student aid system will not be able to operationalize these changes** impacting enrollment decisions of countless students. The federal student aid program and the Institute for Education Sciences were hit especially hard by Trump's March 2025 layoffs.
- **This bill will require the creation of millions of new data points** based on programs of study to determine student aid eligibility before enrollment and to monitor student loan repayment and earnings for decades for the purposes of risk sharing fines. It is unclear how this reporting burden will be operationalized by institutions.