Contact: Christian Collins, Policy Analyst, Education, Labor & Worker Justice, CLASP at **ccollins@clasp.org**.
Contact: Lulit Shewan, Policy Analyst, Education, Labor & Worker Justice, CLASP at **lshewan@clasp.org**.
Contact: Elyse Shaw, Director of the Education, Labor & Worker Justice Team, CLASP at **eshaw@clasp.org**.
Contact: Juan Carlos Gomez, Director of Legislative Affairs, CLASP at **jgomez@clasp.org**.

CLASP
The Center for Law and Social Policy

Access to Higher Education

Postsecondary education is a central part of the affordability crisis because the financial burden begins before enrollment and can continue for years after graduation.

Introduction: The Problem and Solution

The postsecondary education system in the United States has long provided educational access for millions of students from all walks of life and transformed global society. However, the system is now threatened by the Trump Administration's efforts–through financial restrictions and the removal of key federal supports–to restrict educational access to the white and wealthy, while making it increasingly difficult for students from families with low incomes to access and complete postsecondary education.

Students are also impacted by rollbacks to research funding, cuts to public benefits, and spending restrictions from states as they attempt to balance their budgets. All of this forces institutions to shift costs onto students by charging them higher tuition or reducing other benefits, such as access to public transportation or campus-based child care, or raising dining or transportation costs.

At the same time, students who do complete college are increasingly left holding outsized debt with few pathways for repayment. Recent graduates are finding it difficult to find any job,[1] let alone ones that pay enough to cover the monthly repayment costs.[2]

This threat is particularly concerning because postsecondary education remains one of the country's strongest vehicles for upward socioeconomic mobility. Postsecondary education is a central part of the affordability crisis because the financial burden begins before enrollment and can continue for years after graduation. For borrowers, the result is often a long-term financial obligation incurred in pursuit of economic security at a time when the labor market is not reliably providing it.

Access to postsecondary education opportunities benefits students and communities and is essential for ensuring the health of American democracy. And there are tangible, actionable solutions available for a Congress willing to act in service of students, campuses, and communities.

Current State of Play

A Weakened Department of Education and Less Financial Support for Students

Since the beginning of Trump's second term, his administration has attempted to destroy the U.S. Department of Education (ED) by cutting over one thousand jobs and using loopholes to relocate key department offices and functions to other executive agencies without Congressional approval. Multiple ED offices, including those dealing with postsecondary credentials and training, minority-serving institutions, child care programs, and special education, have been targeted for transfer to other federal departments.[3]

The administration has also added to the financial instability of postsecondary institutions by illegally withholding federal funding. Over $2 billion in federal spending for K-12 and postsecondary education programs has been held up by the Office of Management and Budget.[4] Individual institutions have also been directly targeted for "woke" spending, with funding only restored after universities signed agreements with the administration ranging from barring athletics participation for transgender students to promising increased punishment for student protestors.[5] The White House Office of Science and Technology Policy is also overhauling the allocation of federal research funding by prioritizing investments to private artificial intelligence companies over educational institutions, further destabilizing the financial security of colleges and universities.[6]

At the same time, **H.R.1** included several sweeping changes that will both directly and indirectly shape higher education in the years to come. H.R.1 restricts eligibility for Pell Grants for students who have earned full-ride scholarships but still demonstrate financial need[7] and fails to adequately address the current funding shortfall of the program.[8] The legislation also places new caps on federal student loan borrowing,[9] raising student loan payments for current and future borrowers and increasing how much former borrowers owe in taxes.[10] These changes will make repayment and financial stability more difficult for all student loan borrowers, but especially the almost 9 million borrowers in default holding over $92 billion in debt as of 2025.[11]

almost 9 million **student loan borrowers in default as of 2025, holding over $92 billion in debt**

Student debt is already a significant and uneven burden across the borrower population. In 2023-24, 47 percent of bachelor's degree recipients at public and private nonprofit four-year institutions graduated with debt, owing an average of $29,560. More than 40 million Americans have federal student loan debt, with women holding nearly two-thirds of outstanding student debt. These national averages also obscure substantial disparities in who borrows and how much debt borrowers carry. Black borrowers are more likely to borrow for postsecondary education and experience greater difficulty repaying than their white counterparts, with Black women facing particularly high levels of student debt.[12]

H.R.1 also made the largest cuts to health care and food assistance in the country's history: $793 billion in Medicaid, $268 billion in Affordable Care Act spending, and over $200 billion in SNAP.[13] These cuts increase the fiscal pressure on states to fund these programs out of their own budgets while also navigating their own pre-existing financial constraints. The effects of these cuts could also reduce future enrollment rates in postsecondary education, as students may not be able to afford out-of-pocket expenses like housing, transportation, and child care, no matter how much financial aid they receive to cover direct educational expenses.

Instead of helping students afford higher education, what remains of ED is being explicitly used to further the Trump Administration's agenda to attack education and democracy. The department's Office of Civil Rights (OCR) has been wielded against universities to target, among other issues, racial diversity initiatives, transgender-inclusionary campus policies, students protesting U.S. support of Israel's wars in Gaza and Iran, and climate sustainability efforts. This shifting focus has also led to a historic bottleneck of civil rights cases, leaving students with no federal protection and providing no accountability or consequences for the institutions involved.

At the same time, the State Department has targeted international students who engage in protest as supporters of terrorism, using their activities as an excuse to revoke their visas. The Department of Homeland Security recently announced new rules limiting F-1 and J-1 visa holders to four years to complete their degree programs; holders of those visas will now need to apply for any extension of that period. Their ability to transfer schools was also limited.[14] The Department of Justice has already sued 14 states that allowed undocumented immigrant students to receive financial aid and pay in-state tuition, with Colorado[15] and Maryland[16] being the most recent states targeted.

Who is Impacted

Postsecondary education is a reliable pathway to economic security. Median weekly earnings for adults 25 years and older who have a bachelor's degree are nearly double those of workers in the same age category with only high school diplomas, with the median earnings gap between bachelor's and high school degree holders itself nearly doubling since 2000 ($383 to $774).[17] The earnings gap between workers who completed some college or hold associate's degrees and those with high school diplomas has grown from $87 to $131 since 2000, although the gap between workers with some college experience or associate's degrees and those with bachelor's degrees has also grown from $296 to $643 since 2000.[18]

Median Usual Weekly Earnings of Full-Time Wage and Salary Workers Ages 25 and Older by Educational Attainment

Quarter and Year	Bachelor's Degree Holders	High School Diploma Holders	Earnings Gap
Q1 2000	$886	$503	$383
Q1 2004	$996	$562	$434
Q1 2008	$1,108	$615	$493
Q1 2012	$1,158	$653	$505
Q1 2016	$1,250	$679	$571
Q1 2020	$1,386	$768	$618
Q1 2024	$1,680	$901	$779
Q2 2026 (most recent quarter)	$1,768	$994	$774

A student without familial resources or other aid may turn to federal loans to cover the remaining costs. The average debt among bachelor degree recipients who borrowed money was $30,220 in 2024-2025.[19] The debt that follows a graduate into a labor market where unemployment and underemployment are significant: As of September 2026, 5.2 percent of recent college graduates were unemployed, compared to 2.8 percent of all college graduates and 4 percent of all workers, and 43 percent were underemployed compared to 34 percent of all graduates.[20] And while earnings are often insufficient to cover basic expenses and loan repayment, interest can increase the amount owed and delinquency can create additional financial consequences. As of the first quarter of 2026, 10.3 percent of outstanding student loan balances were 90 or more days delinquent.[21]

However, attempting to decrease the immediate costs by taking fewer credits, or being forced to due to life circumstances like a medical emergency or working while earning their degree, also reduces the amount of publicly financed loans available for the student to borrow and pushes them to the private market.[23] The Trump Administration is also considering new regulations to reduce loan access depending on the income of program graduates, potentially punishing this same student for the choices of employers and industries that refuse to pay living wages to graduates.[24]

AFFORDABILITY CRISIS IN PRACTICE

$32,030

AVERAGE PUBLIC FOUR-YEAR IN-STATE STUDENT BUDGET · ONE YEAR



A FULL-TIME STUDENT



MINNEAPOLIS, MINNESOTA

Consider an in-state full-time student attending the University of Minnesota - Twin Cities (UMN). In 2026-2027, average in-state tuition and fees for UMN were over $19,000 annually, well above the $12,290 national average for public four-year institutions,[22] while the national average student budget to pay all expenses at those same institutions is $32,030. The average Pell Grant award per recipient for 2026-2027 is $5,260, leaving a gap of about $14k for that student to figure out how to cover each year for tuition and fees alone. **Completing their undergraduate education in-state would leave this student at a minimum of $56k in potential debt without other financial aid, with that minimum rising to over $109k over four years if that same student goes out of state for their education** (based on the national out-of-state average of $32,730 for tuition and fees for public four-year institutions).

While students of all backgrounds and from all communities encounter high postsecondary costs, Black students are more likely to take on student loans for degree completion at all postsecondary educational levels, with Black women borrowing at the highest rates.[25] Black students also have far less familial wealth than other racial groups of students to fall back on if access to federal support is lost and are far more likely to fall into default paying back loans due to labor market discrimination.[26] Over half of Latino graduate students rely on loans to complete their education and will likely be pushed into the private loan market to continue financing their education, which comes with increased financial risk compared to federal loans.[27]

$75,085

average graduate school debt for Black women borrowers — compared with $56,098 for white women

These disparities are particularly significant for Black women pursuing graduate education. One year after graduation, Black women owe an average of $41,466 in undergraduate loans, compared with $33,851 for

white women. Among borrowers with graduate school debt, Black women owe an average of $75,085, compared with $56,098 for white women.[28]

Eighty-five percent of Latino students are unable to get continued access to affordable and healthy foods, and just over 13 percent of Latino students already lack health insurance coverage. H.R.1's cuts to federal public benefits programs will likely drive both of those figures up in the coming years without Congressional action.[29]

Women comprise especially large shares of graduates in fields like registered nursing, occupational therapy, social work, and public health, for which student loan borrowing has been severely scaled back. Recent analysis demonstrates the extent of this gender disparity across the programs affected by those new rules: they earn 63 percent of master's degrees and 57 percent of doctoral degrees across impacted fields.[30]

Traditionally, ED would be tasked with strengthening federal civil rights protections and enforcement in educational environments. This work is particularly essential given education's role in combating the structural disparities faced by marginalized populations. But the current ED's pursuit of other priorities has had state-level consequences. Nebraska, Texas, Kentucky, and Oklahoma have bowed to the Trump Administration by revoking in-state tuition for undocumented students.[31] And Florida lawmakers have followed the anti-immigrant rhetoric of the administration and its strategy of bypassing legislative branch input by outright banning undocumented students from state colleges[32] and are considering proposals for similar bans targeting undocumented students attending state universities[33] and adult education programs.[34]

Policy Proposals

The all-out policy assault on postsecondary education must be met with an even larger movement to protect the system and lay the foundations for future accessibility and sustainability. Core components of that movement include:

- **Investing in equitable and affordable access to postsecondary education.** At a time where students and communities cannot afford to shoulder that financial burden and H.R.1 is only making education even more unaffordable, we need Congressional investment and commitment to creating equitable and affordable pathways for learners to access and complete their education. Congress should prioritize immediate fixes like increased funding and access for Pell Grants along with restructuring payment plans for borrowers to allow for more affordable payments and increased options for forgiveness. Action on longer-term fixes include removing the cost barrier entirely through tuition-free public postsecondary education, along with counteracting administrative actions that sought to end federal DEI office and grants, and direct agencies to impose new barriers and penalties for funding recipients. Policies should include protections and expansions beyond just tuition to cover support or assistance with housing, child care, transportation, and food, among other necessities.

- **Reauthorizing the Higher Education Act and preserving the fiscal sustainability of key programs targeted by the Trump Administration.** The administration is pulling funding from key educational programs to enrich their allies, fundraise for continued military conflicts, and diminish educational access for marginalized populations. Key to preserving these programs is reauthorizing the Higher Education Act (HEA) to codify funding to be mandatory spending instead of discretionary, preventing the temptation to use vital educational programs as bargaining chips during federal budget battles. HEA has not undergone reauthorization since 2007, leaving the educational access of millions of students and the fiscal sustainability of our country's institutions in limbo annually during the federal budget process; that access is now vulnerable to the whims of a hostile executive branch. Congress must stop passing off the responsibility of reauthorization to future colleagues.
- **Rebuilding ED and implementing guardrails to protect it.** The destruction of ED is a clear sign that such actions must be protected against with formal legislation instead of relying on past political norms. Congress should introduce legislation to codify and protect the Department of Education, asserting that only Congress has the Constitutional authority to regulate federal agencies in such a manner. This should include the full restoration of ED's Office for Civil Rights (OCR) with expanded funding, enforcement powers, and reopening of regional offices closed by the Administration. Along with protecting existing programs by restoring lost funding, Congress must also provide sustainability through increasing the federal funding allocations for federal postsecondary education programs. Fully tying Pell Grants to the mandatory side of the federal budget should be the first priority, instead of maintaining the current hybrid structure where yearly funding is determined by projections that could deprive students across the country from funding if they are inaccurate.[35] Another avenue for Congress to pursue is to bar current and future administrations from disrupting allocated funding meant specifically for Minority-Serving Institutions (MSIs), and include strict enforcement and penalties to prevent tactics like shifting funding from some types of MSIs to others as a method to buy political favor.[36]

Protecting and reimagining the country's higher education system is an effort that will require the work of federal and state policymakers, educational institutions, local communities, and students themselves.

> *Educational access and affordability is being used as a tool to further entrench systemic disparities faced by marginalized students and those with lower incomes, instead of as a tool to tear those barriers down.*

Congress must showcase the true potential of American postsecondary education by taking leadership in guiding the system through the challenges ahead.

ABOUT THIS BRIEF · ABOUT CLASP

This brief is part of A Stronger Foundation, CLASP's recommendations for the 120th Congress, and is designed to be read and shared as a standalone brief. CLASP is a national, nonpartisan anti-poverty organization advancing policy solutions that work for people with low incomes. · clasp.org

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