

# Five Big Higher Ed Investments for Less than the Cost of Debt Cancellation



**Michelle Dimino**  
Education Senior Policy Advisor  
[@MichelleDimino](https://twitter.com/MichelleDimino)

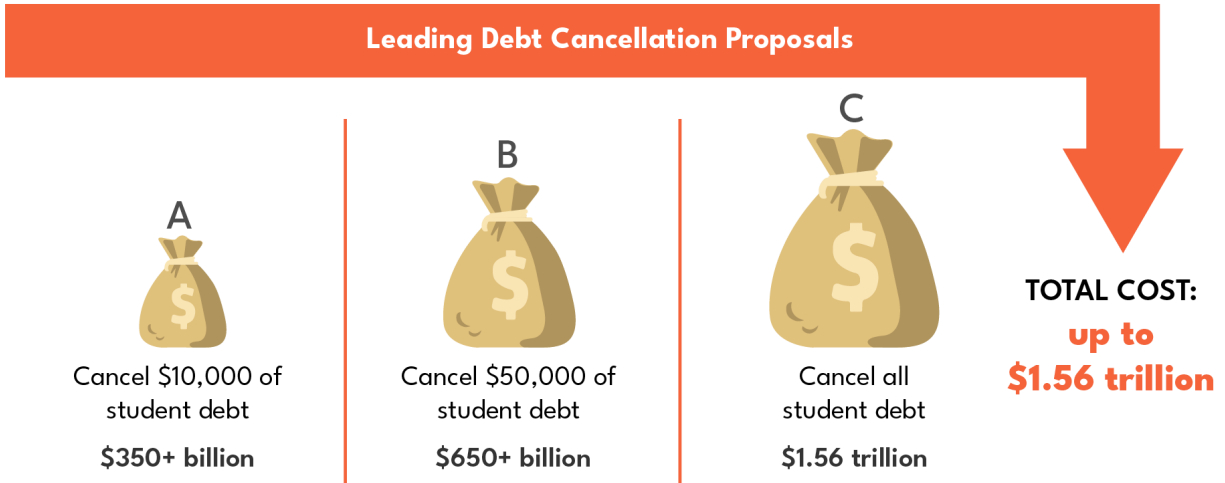


**Kalyn Simmons**  
Multimedia Designer

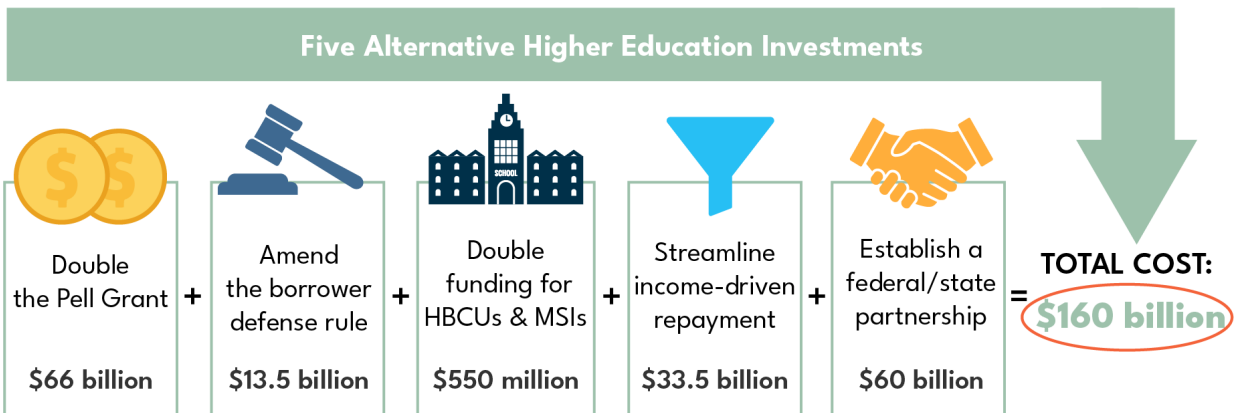
Proposals to cancel student debt dominate the headlines, but with limited resources and a limited universe of beneficiaries, loan forgiveness isn't a silver bullet for helping students and borrowers who need financial relief the most. We did the math on five other critical investments that would make targeted, long-term improvements to how our higher education system serves current and future students—all for a *lower combined price tag than debt cancellation alone*. This infographic shows how policymakers could make these five forward-looking investments *twice over* before reaching the cost of even the most modest debt cancellation proposal on the table.

## Five Big Higher Ed Investments for Less than the Cost of Debt Cancellation

Proposals to cancel student debt dominate the headlines, but with limited resources and a limited universe of beneficiaries, loan forgiveness isn't a silver bullet for helping students and borrowers who need financial relief the most. We did the math on five other critical investments that would make targeted, long-term improvements to how our higher education system serves current and future students—all for a lower combined price tag than debt cancellation alone.



Any of these debt cancellation proposals would not only be extremely expensive and retroactive in nature, but also benefit a fraction of Americans while failing to address the systemic issues facing today's students and future borrowers. To tackle the root causes impacting college affordability and student debt, policymakers could instead make these five forward-looking investments **twice over** before reaching the cost of even the most modest debt cancellation proposal on the table.



**Sources:**

Third Way:  
Why We Should Double the Pell Grant, [www.thirdway.org/memo/why-we-should-double-the-pell-grant](http://www.thirdway.org/memo/why-we-should-double-the-pell-grant)

Congressional Budget Office:  
Cost Estimate, H.R. 4674, the College Affordability Act of 2019, as Ordered Reported by the Committee on Education and Labor on October 31, 2019. Estimated Changes in Direct Spending, Outlays Only, [www.cbo.gov/system/files/2019-12/55939-Direct-Spending.pdf](http://www.cbo.gov/system/files/2019-12/55939-Direct-Spending.pdf)

Congressional Budget Office:  
Income-Driven Repayment Plans for Student Loans: Budgetary Costs and Policy Options, [www.cbo.gov/publication/56277](http://www.cbo.gov/publication/56277)

The Brookings Institution:  
Executive Actions to Reduce Poverty: A Menu of Options and Estimated Impacts on Poverty, [www.brookings.edu/research/executive-actions-to-reduce-poverty-a-menu-of-options-and-estimated-impacts-on-poverty/](http://www.brookings.edu/research/executive-actions-to-reduce-poverty-a-menu-of-options-and-estimated-impacts-on-poverty/)

Forbes:  
Democrats Push for \$50K Student Loan Forgiveness—Here's Where the Resolution Stands, [www.forbes.com/sites/sarahhansen/2021/02/04/democrats-push-for-50k-student-loan-forgiveness-heres-where-the-resolution-stands](http://www.forbes.com/sites/sarahhansen/2021/02/04/democrats-push-for-50k-student-loan-forgiveness-heres-where-the-resolution-stands)

Federal Student Aid:  
Federal Student Loan Portfolio Summary, [studentaid.gov/data-center/student/portfolio](http://studentaid.gov/data-center/student/portfolio)

TOPICS

**HIGHER EDUCATION** 412