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**Student Loans and Pell Grants in the Crosshairs of Budget Reconciliation  
House Budget Plan Would Fast Track \$20B in Cuts to Education Spending to Help Pay for Tax Cuts**

“Today the House of Representatives passed its fiscal year [2018 budget resolution](#), which fast tracks an unprecedented level of cuts to education funding to facilitate Senate passage of tax cuts with only a simple majority of votes. Unlike the [Senate budget resolution](#) passed out of committee today, the House “reconciliation” instructions demand at least \$20 billion of cuts to education and workforce spending alone—with harmful implications for students, college costs, and the economy.

“The House budget resolution assumes a dizzying menu of cuts to higher education, any one of which could be implemented to achieve the required savings for reconciliation, including the elimination of mandatory funding for Pell Grants, [a cut so deep](#) it would force millions of low- and moderate-income students to borrow more, drop out, or forgo college altogether; charging students with financial need interest on all their loans while they’re still in school, which Congressional Budget Office (CBO) data [show](#) could add thousands of dollars to students’ loan bills; and cuts to income-driven repayment plans or the elimination of the Public Service Loan Forgiveness.

“In passing its budget resolution, the House has advanced a vision wholly out of step with the needs of our nation’s students and economy, bankrolling corporate tax cuts on the backs of students. The Pell Grant currently covers the lowest share of college costs in over 40 years, and its [value](#) will sink even lower if Congress allows the grant’s annual inflation adjustment to [expire](#) this year.

“As the House and Senate move forward to adopt a final 2018 budget resolution, we call on them to reject reconciliation instructions requiring education cuts, and to instead demonstrate the same bipartisan commitment to students they have shown in recent agreements to strengthen and expand the GI Bill, restore year-round access to Pell Grants, and increase the maximum Pell Grant.”

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*An independent, nonprofit organization, The Institute for College Access & Success (TICAS) works to make higher education more available and affordable for people of all backgrounds. Our Project on Student Debt works to increase public understanding of rising student debt and the implications for our families, economy, and society. For more information see [www.ticas.org](http://www.ticas.org) or follow us on [Twitter](#) and [Facebook](#).*