

How the House Budget Reconciliation Bill Would Harm K-12 Students

The House-passed budget reconciliation bill threatens to undermine access to a high-quality public education for all students, as well as the health and well-being of millions of children.

The bill includes provisions that divert public dollars toward private schools, effectively creating a national private school voucher program without any requirements for oversight, accountability, or transparency around how funds are spent. Similar state programs have repeatedly failed to deliver on the promise of better outcomes or broader access, especially for rural students, multilingual learners, students with disabilities, and low-income families.

The bill also slashes billions from Medicaid—a critical source of funding that schools rely on to provide health services that keep students healthy, supported, and ready to learn. The bill additionally makes deep cuts to the Supplemental Nutrition Assistance Program (SNAP), which helps families afford groceries and facilitates access to school meal programs that feed millions of students each day.

These Medicaid and SNAP cuts will drive painful budget dilemmas for states, shifting the cost burden to already overextended state and local governments. Because state and local funds provide the vast majority of funding for our nation's nearly 100,000 public schools, these cuts will inevitably result in fewer instructional supports, reduced student services, and the loss of critical school personnel—especially in communities with the fewest resources.

These proposals are not just budget decisions—they represent a federal abandonment of public education, leaving states to absorb enormous costs without the support needed to meet students' needs. This resource outlines how the House-passed budget reconciliation bill, if enacted, would inflict lasting harm on students, families, and educators and undermine the foundation of our nation's public education system.

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National voucher program would divert \$20B toward private schools

What does the bill do?

The budget reconciliation bill passed by the House of Representatives includes a program modeled after [Educational Choice for Children Act \(ECCA\)](#), providing a 100% federal tax credit to individuals who donate to private scholarship-granting organizations (SGOs). The proposal would divert [\\$20 billion](#) in taxpayer money to private schools and families who homeschool. This bill would create a national school voucher program, expanding school vouchers to states whose voters have already rejected them. The proposal also creates a one-of-a-kind [tax shelter](#) for wealthy donors and would result in a significant loss in federal and state funding.

The proposal [prohibits](#) any oversight or accountability and has no requirements for transparency regarding where and how these funds are used and whether students are receiving a quality education. This proposal allows funds to be used broadly for elementary and secondary schooling, which could include paying for tuition at a private religious school, for homeschooling, or for private tutoring. The proposal does not require schools or service providers receiving federal taxpayer funds to be accredited; adhere to the same standards for curriculum, teacher qualifications, or school quality; or report any set of state or federal academic accountability metrics, such as data on how students are performing in reading or math. This proposal also does not require SGOs to report the amount of contributions received or to disclose the number and average value of the vouchers they give out or the number of students participating in the program. Instead, the bill gives the SGOs “maximum freedom” and says that the government may not “mandate, direct, or control any aspect of” SGOs in any manner. By diverting taxpayer dollars through

SGOs, this proposal creates an extra layer of bureaucracy that is ripe for waste, fraud, and abuse.

In addition, with few requirements around how SGOs distribute vouchers and how schools receiving vouchers admit or serve students, this program would open the door to discrimination. Private schools [are not subject](#) to the same civil rights obligations and requirements to serve all students, including those with disabilities, multilingual learners, LGBTQ+ students, and students from different racial, ethnic, or religious backgrounds.

Who does the bill hurt?

Students with Disabilities

When parents use vouchers or other private choice mechanisms, unless explicitly protected, they forfeit important rights, legal protections, and services guaranteed by the Individuals with Disabilities Education Act (IDEA), often without their knowledge.

Families who choose to use these vouchers must relinquish their child's rights under IDEA, including the right to a free appropriate public education in the least restrictive environment and due process rights. While language was [added](#) to the House proposal to reference students with disabilities and accessing "equitable services" – as allowed under current laws that ensure public school districts reserve some special education funding for parentally placed children in private schools – the bill does not include all of the protections that students with disabilities in public schools receive under IDEA (e.g. due process, least restrictive environment). Because disability and behavior are often linked, students with disabilities who are not being appropriately served could be disciplined or excluded from schools and have no recourse or protections.

These schools are also [not required](#) to ensure students meet state-set standards in reading, math, science, and graduation, as expected for all other schools under the Elementary and Secondary Education Act, nor are these schools held accountable for student academic achievement.

Students in Rural Areas

For the [9.8 million rural students](#) across the country, private school is not typically an option. Only [34%](#) of rural families live within 5 miles of a private school, compared to [92%](#) of urban families, and [only 5%](#) attend private school compared to [10%](#) nationally. Even when rural students do live near a private school, they are often faced with [limited enrollment spaces and tuition costs](#) higher than that of a voucher.

Private school voucher programs do not create choice for rural students and families. Instead, they often strip critical resources from rural public schools, which not only serve as a place for K-12 education but also serve as [community hubs and the largest employer](#)

in rural areas. As seen in states across the country, including, for example, in [West Virginia and Indiana](#), universal private school voucher programs have a harmful impact on state budgets for public education, which rural schools rely heavily upon. A federal voucher program would only further disrupt public funds for public education by creating [severe cuts to federal and state revenue](#). This proposal would further harm public rural schools, which already [operate on thin margins](#), and leave rural students with nowhere else to turn.

Lessons from Voucher Programs

School voucher programs in the states have proven that they often do not fulfill the intended purpose to expand access to high-quality education, and there is little proof that they improve academic outcomes for students. Indeed, the evidence shows that academic outcomes for students using vouchers often suffer.

Wealthy families and students already enrolled in private schools disproportionately take advantage of voucher programs.

- Under the proposal, families earning up to 300% of an area's median income are eligible for a voucher. An [estimated](#) 90% of US households, including families in some of the highest income brackets, would therefore be eligible for a voucher. For example, families making \$500,000 per year in Loudoun County, VA – an affluent county outside of Washington, DC with some of the highest scoring public schools in the nation – would still be eligible to receive a voucher.
- Vouchers [rarely cover](#) the full cost of attending private school, leaving families to make up the difference. Families with higher incomes can more easily afford the remaining tuition and associated costs, making school vouchers a subsidy for families who already have the financial means to consider private school. In Arizona, for example, the state's wealthiest families use state-funded education savings accounts – which, like vouchers, divert public funds toward private educational expenses – at [five times](#) the rate of the state's poorest families
- Private schools often [raise tuition](#) – in some cases by as much as 25% – following the expansion of voucher programs. Wealthier families can afford to pay for these increasing costs. This national voucher program, which does not cap voucher amounts, could accelerate tuition increases.
- When states have expanded voucher access to all families, regardless of income or need, these programs [mainly benefit](#) students who were never enrolled in public school. In Arkansas, for example, 95% of students using vouchers [did not come from](#) public schools, and in Arizona, 71% of students using ESAs in 2023 were [already enrolled](#) in private or homeschool. The House's proposed voucher program, which has a high income threshold and few other requirements for eligibility, could similarly subsidize families whose children are already enrolled in private schools.

Voucher programs worsen academic outcomes

- Repeated studies of voucher programs across the country [show](#) that vouchers do not improve students' academic achievement and can result in worse test scores for students.
- Vouchers do not improve student achievement and, in many states, lead to a decline in achievement. Recent studies of the [Louisiana](#), [Indiana](#), and [Ohio](#) voucher programs have revealed that students who used vouchers perform worse academically than their peers in traditional public schools. In addition, studies of voucher programs in [Milwaukee](#), [Cleveland](#), and the [District of Columbia](#) found that students offered vouchers showed no improvement in reading or math over those not in the program.
- Voucher programs also fail to offer participating students greater educational resources. Students in the District of Columbia voucher program, for example, were [less likely to have access to key services](#) such as English as a Second Language programs, learning supports, special education supports and services, and counselors than students who were not part of the program. Similarly, a [survey of the Milwaukee voucher program](#) conducted in 2013 found that out of 110 Milwaukee voucher schools surveyed, 39 reported having no art, music, physical education, library or technology specialist teachers.

Vouchers do not increase access to high-quality education and often create instability and risk for students

- High-quality private schools have limited seats available, restrict access through exclusive screening criteria, and are also [less likely to accept vouchers](#), while private schools that accept vouchers are often lower-quality and/or financially distressed.
- So-called “voucher schools” or “pop-up schools” have [rapidly grown](#) in states with voucher programs. As a result of opening quickly to capitalize on new public funds, as well as the [lack of regulations](#) for educational facilities, these schools may not have the necessary infrastructure, such as libraries or gyms, that are crucial for a well-rounded education. Microschools have also [proliferated](#) with the help of vouchers and similarly lack regulations and oversight to ensure students receive a high-quality education.
- Pop-up schools often do not have the financial stability to sustain long-term operations and close within a few years, disrupting students' education and forcing them to switch schools. A [25-year study](#) of Milwaukee's voucher program found that 41% of all private schools accepting vouchers closed. The average amount of time

schools created in response to a voucher program stay open is just [4 years](#).

- This alarming rate of school closures due to financial instability harms students. School closures harm students by forcing them to change schools, which has been shown to [negatively impact](#) students' development, social and emotional health, and academic performance. Students who move schools frequently have lower test scores and are less likely to graduate high school. The investment of public funds through vouchers into private schools which quickly close is a waste of taxpayers' dollars. In Milwaukee, [one study](#) found that 12% of all public funds spent on the city's school voucher program went to schools that ended up closing.

Fraud and misuse

- A national voucher program would significantly increase the risk of fraud and misuse of taxpayer funds, which is already evident in many state run programs, including in [Arizona](#), [Florida](#), and [South Carolina](#).
- State agencies have often [struggled](#) to verify eligibility, leading to ineligible families or schools receiving public funds.
- Some voucher funds have been used to pay substandard or [unaccredited](#) institutions, or even spent on [non-educational expenses](#). As public schools already face declining resources, implementing a national voucher program without strong oversight would further strain state education budgets and contribute to poorer K-12 student outcomes.

State-by-State Resources

- [A Revenue Impact Analysis of the Educational Choice for Children Act of 2025 \(Institute on Taxation and Economic Policy\)](#): This report estimates the changes in federal and state government revenue due to capital gains tax avoidance facilitated by this tax credit program. The estimates are based on ECCA's \$10 billion/year program, rather than the \$5 billion/year proposal in the House reconciliation bill.
- [Analyzing the Distribution of Benefits under the Educational Choice for Children Act \(Urban Institute\)](#): This report includes state-by-state data on the shares of school-age children within 1, 2, 5, and 10 Miles of a Private School.
- [Public and Private School Distribution \(Learning Policy Institute\)](#): These state fact sheets show where vouchers would likely be allocated, including data and maps of public and private schools in each state.

Medicaid cuts would leave millions uninsured, threaten state education funding

What does the bill do?

The [\\$800 billion](#) cut to Medicaid, Children's Health Insurance Program (CHIP), and Affordable Care Act (ACA) will result in 13.7 million people losing health insurance according to preliminary estimates from the [Congressional Budget Office](#) (CBO) and [Joint Economic Committee-Minority](#). Children, particularly children of color and children with disabilities, are at risk of being harmed by the policies included in this legislation. Moreover, cuts at the federal level to Medicaid will have a severe impact on funding available for education at the state level.

The bill reduces funding and coverage in several ways:

- **Red tape:** This legislation blocks the implementation of regulations issued in [2023](#) and [2024](#) by the Centers for Medicare and Medicaid aiming to reduce bureaucratic barriers that hampered enrollment in Medicaid and CHIP. For example, [the CMS regulations](#) blocked by the legislation prevents states from implementing waiting periods that delayed coverage by up to three months, and “locking out” eligible children from re-enrolling if families do not pay a premium payment.
- **Reduced funding:** Federal law provides an incentive for states that have not yet expanded Medicaid coverage under the Affordable Care Act by offering a five percentage point increase in their federal matching rate for two years. This bill eliminates this incentive. In addition, federal law prohibits Medicaid from funding coverage for undocumented immigrants. However, 14 states use state funds to provide coverage for all children, including those who are undocumented. This legislation would reduce the federal matching rate for states that implemented Medicaid expansion and provide coverage for undocumented immigrants from 90% to 80% - [doubling state costs](#) for those covered under Medicaid expansion.
- **Restrictions on revenue:** [Each state](#) except Alaska places taxes on providers (e.g., hospitals and nursing homes) to help pay the state share of Medicaid costs. This bill would prohibit states from establishing new taxes or raising existing taxes on providers, thereby limiting the ability of states to cover the rising cost of medical care.
- *For a thorough summary of the provisions of the House-passed budget reconciliation bill pertaining to health coverage, please see [this analysis](#) by the Center for Children and Families at Georgetown University.*

Who does the bill hurt?

Children from historically underserved and systemically marginalized communities are at heightened risk of losing health coverage under the House-passed budget reconciliation bill. Nearly 30 million children receive health coverage through Medicaid or another government program, and two-thirds are children of color. This includes:

- 5.6 million Black children, or 56% of all Black children
- 10.5 million (52%) Latino/a children
- 1 million (28%) Asian, Native Hawaiian, and Pacific Islander children
- 268,136 (60%) Native American children

In addition, this legislation threatens children of working class parents who do not have a college degree, as many of these parents have low wage jobs that do not offer health benefits. Three-quarters of all children who rely on Medicaid for health care, 22.8 million children, have working parents without a college degree.¹

Around [1 in 5 children](#) have a physical or mental health issue that can affect their ability to succeed in the classroom, such as asthma, diabetes, vision impairment, anxiety or other physical or developmental disabilities. When children do not receive necessary medical care, these health conditions can negatively impact their school attendance, learning ability, motivation, academic performance and chances of graduating from high school. Providing access to health services in school, where children spend the majority of their days, ensures they receive medical care and can thrive. Research [shows](#) that increased access to school health providers improves health and academic outcomes.

Children in Foster Care

In addition, children who are eligible for foster care maintenance payments under Title IV-E are categorically eligible for [Medicaid](#). Further, youth who age-out of foster care are eligible for Medicaid until they turn 26.

As many as 75% of children entering foster care face at least one physical health issue, one-third live with a chronic illness, and up to 80% experience serious mental health challenges. [Medicaid's](#) broad coverage plays a vital role in making sure these children can access the full range of health services they require. It funds everything from outpatient counseling to residential treatment, as well as trauma-informed care in foster home settings. Medicaid also supports parents' access to treatment for mental health and

¹ Source: UnidosUS analysis of 2023 American Community Survey data, accessed via IPUMS, University of Minnesota, www.ipums.org.

Note: Working class parents are defined as (1) at least one parent or guardian is in the labor force who does not have a 4-year college degree; and (2) neither parent or guardian is in the labor force who has a 4-year college degree.

substance use disorders—helping prevent unnecessary placements and making it possible for children to reunite safely with their families.

Students with Disabilities

Medicaid is a [critical support](#) for infants, toddlers, and youth with disabilities. States rely on Medicaid to finance IDEA Part C early intervention services for children from birth to age two who qualify for both programs; about half of young children who are served by Part C – nearly 250,000 infants and toddlers – are also enrolled in Medicaid.

Students with disabilities could lose access to the [critical school-based health services](#) they need to excel academically. Since 1988, Medicaid has ensured students with disabilities have access to medically necessary services. All states and districts rely on Medicaid reimbursement to ensure students with disabilities have access to the supports and services they need.

Immigrant Students

The legislation is especially harmful for children and youth who are undocumented [immigrants](#). As noted above, expansion states that provide coverage with state funds to people who are undocumented will face a 10-percentage point reduction (from 90% to 80%) in the federal matching rate for Medicaid – effectively doubling state Medicaid costs for those covered under Medicaid expansion. In addition, expansion states providing separate CHIP coverage for lawfully residing immigrant children and pregnant women would be subject to the 10-percentage point penalty. Further, Deferred Action for Childhood Arrivals (DACA) recipients would no longer be eligible for coverage under the ACA Marketplace, as well as those seeking asylum, refugees, and those eligible for Temporary Protected Status.

How do the bill's Medicaid provisions impact education funding?

Cuts to Medicaid threaten education investments in multiple ways. In 2024, Medicaid made up the largest share of [state spending](#) at 29.8% of total expenditures. When federal support for Medicaid is reduced, states must either scale back or eliminate health insurance for potentially millions of families and children or shift resources from other priorities to fill the gap. The second largest area of state spending, K-12 public education, accounts for 18.9% of expenditures. That means states could be forced to choose between cutting health care coverage or reducing funding for public education. Either way, children pay the price.

Medicaid is the fourth largest source of federal funding for public schools, providing \$7.5 billion in critical reimbursements for health services and critical supports that help students access their education, such as physical, occupational, and speech therapy, as well as assistive technology. According to a recent survey of school district leaders, these

cuts would not only diminish access to school health services but also force [reductions in other areas of district budgets](#), straining resources that support student learning and well-being.

State-by-State Resources

- [Harsh Work Requirements in House Republican Bill Would Take Away Medicaid Coverage From Millions: State and Congressional District Estimates \(Center on Budget and Policy Priorities\)](#): This data tool shows how many people in each state are at risk of losing Medicaid coverage due to the proposed work reporting requirements.
- [House Republicans' Medicaid Cuts and Associated Lives Lost by Congressional District \(Center for American Progress\)](#): This data tool shows projected coverage losses and deaths among expansion enrollees due to work reporting requirements by 119th congressional district, 2034.
- [Medicaid/CHIP Coverage by School Districts, 2019-2023](#): This data tool shows the percentage of children covered by Medicaid and CHIP by state and school district.
- [Medicaid Coverage Rates for Children by Race/Ethnicity \(KFF\)](#): This data tool shows the numbers of children in each state covered by Medicaid, disaggregated by race/ethnicity and as a percentage of all children of that race/ethnicity.
- [State-by-State Data – 13.7 Million People Would Lose Health Insurance From Medicaid, ACA Cuts \(Joint Economic Committee Minority\)](#): This summary shows how many people in each state would lose health insurance coverage due to the changes to Medicaid and ACA proposed in the House reconciliation bill.

SNAP cuts would reduce nutrition access for students in and out of school

What does the bill do?

The Supplemental Nutrition Assistance Program (SNAP) helps over 40 million Americans afford food – including 20 million children. The House-passed budget reconciliation package would cut \$267 billion from SNAP by adding punitive work requirements, shifting costs to states, and limiting eligibility for parents of older children.

In addition, shifting the [cost burden](#) to already overextended state and local governments will drive painful budget decisions – which would be made worse by the bill's cuts to Medicaid as well. Because state and local funds provide the vast majority of funding for our

nation's nearly 100,000 public schools, these cuts will inevitably result in fewer instructional supports, reduced student services, and the loss of critical school personnel—especially in communities with the fewest resources.

Who does the bill hurt?

Students from Low-income Backgrounds

These changes would mean an [estimated](#) 4 million children losing access to food assistance. The ripple effects on schools are massive. SNAP enrollment is used to directly certify students for school meals, meaning their families do not have to face the burden or stigma of completing additional applications. Direct certification also supports the Community Eligibility Provision (CEP), which enables high-poverty schools to offer free meals to all students. Due to SNAP changes alone, the Urban Institute [estimates](#) that at least 18.3 million students could lose access to free school meals.

Many families rely on school meals as the only nutritious meal that their children receive all day, and reducing access would have devastating long-term consequences for both public health and educational outcomes. SNAP [enables](#) children to focus on learning rather than hunger. Children without enough food to eat often experience impaired memory and reduced emotional stability, lowering academic achievement scores and increasing the need to repeat grades. Without access to SNAP and enough food to eat, students are [less likely](#) to graduate high school and attend college, less likely to earn a living wage as adults, and more likely to develop chronic illnesses like diabetes and heart disease.

Immigrant Students

The House-passed reconciliation bill would [eliminate SNAP benefits](#) for hundreds of thousands of currently eligible immigrants, restricting food assistance to U.S. citizens, lawful permanent residents, and certain immigrant groups from Cuba, Federated States of Micronesia, Republic of the Marshall Islands, and the Republic of Palau.

SNAP has complex and restrictive eligibility rules for immigrants that already exclude many low-income immigrants lawfully residing in the United States, and only half of eligible immigrants participate in SNAP due in part to these complicated eligibility rules. People without a documented immigration status are not and have never been eligible for food benefits.

The proposed changes in SNAP eligibility primarily impact refugees, individuals who have been granted asylum, certain immigrants who are victims of domestic violence, as well as their families, and certain survivors of labor or sex trafficking. In 2023, 434,000 refugees and people granted asylum [received](#) SNAP benefits, including more than 100,000 children. CBO [estimates](#) that this House reconciliation bill provision would take food assistance away from between 120,000 and 250,000 people.

State-by-State Resources

- [Expanded Work Requirements in House Republican Bill Would Take Away Food Assistance From Millions: State and Congressional District Estimates \(Center on Budget and Policy Priorities\)](#): This resource includes data on how many people would lose SNAP benefits under the proposed expansion of the work requirement by state and by congressional district.
- [House Reconciliation Bill Proposes Deepest SNAP Cut in History, Would Take Food Assistance Away From Millions of Low-Income Families \(Center on Budget and Policy Priorities\)](#): This resource details the impact on state budgets under the proposed state payment of share of SNAP benefit costs.
- [Imposing SNAP Food Benefit Costs on States Would Worsen Hunger, Hurt States' Ability to Meet Residents' Needs \(Center on Budget and Policy Priorities\)](#): This resource provides data on how much each state receives in SNAP benefits and the cost of shifting the burden to states.

Key Resources

- [Changes to SNAP Could Reduce Student Access to Free School Meals \(Urban Institute\)](#): This resource shares analyses of how many students will lose access to free and reduced-priced meals in schools as a result of the proposed cuts to SNAP.
- [Children under attack: How congressional assaults on health and food programs are endangering the youngest Americans \(UnidosUS, First Focus, AFL-CIO\)](#): This report details how the House budget reconciliation bill will implement historic, harmful cuts to Medicaid and SNAP, jeopardizing the health and wellbeing of nearly 45% of America's children — 34 million kids, who rely on Medicaid for health care, SNAP for food, or both programs.

Higher education student aid/loan cuts reduce access to college, exacerbate the teacher shortage

What does the bill do?

The bill would make cuts to Pell Grants, which help students from low- and moderate-income backgrounds afford college. The bill [makes changes](#) to eligibility requirements, increasing the number of credits students must take to be considered a “full-time student” and eliminating funding for students who are enrolled less than half-time.

The bill also [eliminates](#) subsidized loans for low-income undergraduate students, which prevent interest from accruing while students are in school. For graduate students, the bill imposes new limits on unsubsidized loans and terminates the GradPLUS loan program, which helps cover graduate education expenses not covered by other financial aid.

Moreover, the bill [eliminates regulations](#) that protect borrowers from repaying loans to institutions that have deceived or misled them, failed to prepare students for gainful employment, or closed suddenly, such as the [Borrower Defense to Repayment](#), [Gainful Employment](#), [90/10](#), and [Closed School Discharge](#) rules.

In addition, the bill would eliminate all existing income-driven repayment plans for new borrowers and force them into one income-based repayment scheme: the [Repayment Assistance Plan](#) (RAP). This plan imposes a new formula for repayment and eliminates the “income protection allowance” which protects a portion of a borrower’s income to ensure they can cover their basic needs.

Who does the bill hurt?

Students Pursuing Higher Education

These cuts to Pell Grants will impact [two out of every three Pell Grant recipients](#), or 4.4 million students. Around 3 million students will see a nearly \$1,500 decrease annually in their maximum award due to changes to the definition of full-time enrollment, and 1.4 million students will lose their Pell Grant funding entirely due to the limitations for students who are enrolled less than half-time. Working and caregiving students, students with disabilities, and incarcerated students, would be hit the hardest by these changes. For some students with disabilities, taking a reduced course load is a reasonable accommodation granted to them by their college.

This bill would [increase borrowing costs](#) for low-income students and make it harder to access and afford higher education. In the 2023-24 academic year, 4.2 million undergraduate students benefited from subsidized loans. When loan programs are capped or eliminated, students, especially students from low-income backgrounds, might be unable to afford to further their education or be driven toward the private loan market and predatory lenders.

Students will be more [vulnerable](#) to fraud, misrepresentation, and abuse, if regulations that protect borrowers from predatory institutions are eliminated. Students who attend a school that [closes](#) suddenly are less likely to complete their degree, yet because of this bill, they would remain saddled with debt.

Borrowers would be required to make higher monthly payments and be in debt for longer, [pushing more borrowers into default](#). The elimination of the “income protection allowance” means low-income borrowers, including those with incomes below the federal poverty

level, will be required to make unaffordable monthly payments—sacrificing covering their basic needs—or fall into delinquency and default.

Aspiring Teachers

Prior to kicking off the 2024-2025 school year, nearly three-quarters of public schools [said](#) they had a difficult time filling one or more vacant teaching positions. Yet provisions in the House reconciliation bill that make higher education less affordable could exacerbate the teacher shortage, negatively impacting our K-12 schools and students.

[About 60% of teachers](#), or 21.1 million teachers, took out loans to finance their education, and teachers on average [earn](#) 26.6% less than other college graduates. For aspiring teachers, the prospect of lower grant awards and higher debt burdens could [deter](#) them from pursuing high-quality teacher preparation programs, which might cost more and/or take longer to complete than less-rigorous programs that lack extensive clinical practice and integrated coursework. Cost and student loan debt may discourage some candidates from pursuing a career in teaching completely.

For current teachers, capping unsubsidized loans for graduate students and eliminating GradPLUS loans could significantly deter them from earning advanced degrees or credentials that enable them to advance their careers and/or better serve students.

The Public Service Loan Forgiveness (PSLF) program has been a critical opportunity for teachers who pursue a career in education despite a potentially lower earning potential. Eighty-seven percent of teachers [support PSLF](#). However, the House reconciliation bill would undermine PSLF by making income-based payments less affordable than standard payments for many borrowers. Since PSLF requires borrowers to be enrolled in an income-based plan, borrowers will have to choose between enrolling in a more affordable “standard” plan and being eligible for PSLF.

State-by-State Resources

- [Congressional Republicans’ Proposed Budget Reconciliation Bill Imperils 4.4 Million Pell Grant Recipients \(Center for American Progress\)](#): This resource includes the number of students in each state at risk of losing Pell Grant funding due to the new definition of full-time enrollment and restrictions on less than half-time enrollment.
- [Defending Higher Education in 2025 \(American Federation of Teachers\)](#): This suite of resources includes state fact sheets, which include the numbers of students and borrowers who will be affected by cuts to Pell grants and loans and changes to loan repayment options.
- [Federal Student Aid Data Sheets \(National Association of Independent Colleges & Universities\)](#): This data tool shows the distribution of federal student aid in every

state and congressional district, including number of awards and total dollar amounts, broken out by Pell Grants, campus-based programs (Supplemental Educational Opportunity Grants, Federal Work-Study, and Perkins Loans), and federal loans.

- [2025 Statewide and Congressional District Fact Sheets on the Student Loan Debt Crisis \(Student Borrower Protection Center\)](#): These fact sheets include data about the number of borrowers and amount of student debt in each state or congressional district, as well as insights into the number of constituents who have benefitted from more affordable repayment options and debt relief over the last four years.

Key Resources

- [Damaging Provisions across House Reconciliation Proposals Would Make College More Expensive, Confusing, and Risky \(The Institute for College Access & Success\)](#): This resource outlines ten provisions in the House reconciliation bill that are most alarming for college access and affordability.
- [Resource Hub: Budget Reconciliation 2025 \(The Institute for College Access & Success\)](#): This hub aggregates resources concerning the impact of budget reconciliation proposals on higher educational access and affordability.