



# Council of Graduate Schools

## **Statement on S.365, the Budget Control Act of 2011 August 3, 2011**

The Council of Graduate Schools commends Congress and the President for enacting a bill to increase the debt ceiling and protect the American economy from the harm of default. We are, however, deeply concerned and disappointed that part of the compromise eliminates crucial support for graduate and professional students.

The deal reached on the debt ceiling increase discriminates among classes of students and student borrowers within higher education and would be the first time in the history of the federal student loan program that an existing borrower benefit would be eliminated for a particular group of students. We understand that tough choices had to be made and we are in favor of programs such as the Pell grant program that provide support to undergraduate students to help them pursue and complete their studies. But, increasingly more students will need to obtain graduate and professional degrees because more jobs will require people with advanced education, according to the Bureau of Labor Statistics.

Graduate students already bear a heavy debt burden. 67% of Ph.D. students and 73% of master's students graduate with loan debt. On average, the cumulative debt of master's degree students is over \$50,000 and for doctoral students the figure is about \$77,000. Eliminating the in-school interest subsidy for graduate and professional students will increase the cost of attendance for them at the very time we need to be preparing more people for highly skilled jobs.

Elimination of the subsidy will also have a differential impact on some graduate students, especially for those from under-represented groups. At both the master's and doctoral level, African American and Hispanic students had the highest average cumulative graduate loan debt compared with White and Asian students.

Going forward, we urge Congress and the Administration to recognize and support graduate education as a strategic national asset. Today's graduate students are tomorrow's scientists, engineers, teachers, knowledge creators and leaders in a wide array of fields. The United States of America should not be balancing the federal budget on the backs of graduate and professional students.

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*The Council of Graduate Schools (CGS) is an organization of over 500 institutions of higher education in the United States and Canada engaged in graduate education, research, and the preparation of candidates for advanced degrees. Among U.S. institutions, CGS members award 93% of the doctoral degrees and 76% of the master's degrees.\* The organization's mission is to improve and advance graduate education, which it accomplishes through advocacy in the federal policy arena, research, and the development and dissemination of best practices.*

\* Based on data from the 2009 CGS/GRE Survey of Graduate Enrollment and Degrees

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