



Freedom to Learn

Education is the pathway to the American dream – it is how we build a better life for our children, families, and communities. In today’s economy, a postsecondary education is becoming necessary to secure sustainable employment with decent wages. An educated America is also vital to maintaining our nation’s competitiveness in an increasingly global world by ensuring we can create high-paying American jobs and grow a 21st century economy.

Nationally, the Class of 2016 is the most indebted in history. The average student has borrowed more than \$37,000 by the time they graduate. The cost of college has risen over 1,000% percent since 1978. In fact, students now owe \$1.3 trillion in student loan debt, which represents the second largest form of consumer debt outside of mortgages.

We have an opportunity and a responsibility to train the next generation of workers and keep our economy competitive. But over the last few decades, the cost of our college system has fallen more and more on students who are just starting out in life. And, while working families are forced to pay more tuition, student loan companies, predatory for-profit colleges and special interests have received billions of dollars in profits from the rising costs of higher education, a majority of which comes directly from federal taxpayer dollars.

The ladder of opportunity is broken. Kamala believes it can be fixed so that students do not have to take on tens of thousands of dollars in debt to get a college education. As a prosecutor, Kamala has taken on powerful corporate interests that have taken advantage of students, wasted taxpayer dollars, and made the cost of education more expensive for everyone. In the U.S. Senate, she’ll fight to make our higher education system more affordable for all families by ending the crushing student debt cycle and creating pathways to free tuition at public colleges and universities.

I. Stop The Abuse That’s Fueling The Student Debt Crisis

Predatory for-profit colleges have compromised our higher education system by issuing worthless degrees to vulnerable students who graduate jobless and buried in debt. The vast majority of these colleges’ revenue comes from federal and state-backed student loan programs, totaling more than \$30 billion in the 2009-10 school year alone. Kamala took on these corporate degree mills as California’s Attorney General when she sued Corinthian Colleges, Inc., one of the largest for-profit college conglomerates in the country. Corinthian and other for-profits lured students with false promises and preyed on our nation’s veterans through loopholes that have allowed them to collect a staggering \$8.2 billion in G.I. Bill benefits since 2009.

But predatory for-profit colleges are not the only offenders in the higher education system. Many students are forced to finance their college education through high-interest student loans. They also face unscrupulous loan servicers who fail to disclose crucial information and provide basic levels of service.

In the U.S. Senate, Kamala will continue to fight for our nation's students by standing up to the predatory for-profit colleges and student loan servicers that target and take advantage of them.

Stop Student Loan Companies From Abusing Students. The average college student owes more than \$37,000 in student loan debt at graduation. In order to tackle this debt, students need effective and accurate counseling to help them make informed decisions about their financial future. They also need protection from abusive debt collectors, including those hired by the federal government. As Attorney General, Kamala pioneered a Homeowner Bill of Rights that created the toughest homeowner protections in the country, and she sponsored California's Student Loan Borrowers' Bill of Rights to improve oversight and consumer protection in student lending. In the U.S. Senate, Kamala will continue to fight for student borrowers by working to pass a federal Student Loan Borrowers' Bill of Rights, to hold student loan servicers to the highest standards, crack down on predatory debt collectors, and ensure that student loan borrowers receive effective loan counseling before they sign on the dotted line.

Fight Student Loan and Higher Education Fraud. The federal government must do more to prevent and prosecute abuses in higher education. Students deserve a Senator who will fight on their behalf against student loan abuses and higher education fraud, including substandard student loan servicing and deceptive and misleading practices by predatory for-profit colleges. In the U.S. Senate, Kamala will fight to ensure that the federal government investigates and prosecutes student loan fraud and abusive higher education practices.

Prohibit Unfair Student Contracts. Predatory for-profit colleges and private lenders frequently use mandatory arbitration clauses in their contracts with students. These mandatory arbitration clauses force students to sign away their rights and limit their ability to hold predatory for-profit colleges accountable in court. Colleges and universities should not be allowed to strong-arm students into signing away their legal rights as a condition of receiving a college degree. Kamala will fight to ban colleges and universities from using mandatory arbitration clauses that limit students' rights.

Ban For-Profit Colleges From Buying Accreditation. ACICS, an organization responsible for accrediting higher education institutions that offer programs in professional, technical, and occupational fields, has failed our nation's students by continuing to accredit predatory for-profit colleges that use deceptive business practices, have poor retention, graduation, and employment rates, and are in questionable financial health. In light of these failures, it is unacceptable that ACICS has retained its accrediting authority. Kamala will continue to fight to permanently revoke ACICS's accrediting authority and for legislation to improve accountability in the college accreditation system.

Protect Veterans & Reinstate Benefits For Those Harmed By Predatory For-Profit Colleges. California is home to nearly 2 million veterans who deserve the educational benefits they earned fighting for our country. Yet many of our returning veterans turn to profiteering corporate colleges for a degree. These corporate colleges have collected billions from the G.I. Bill even though many fail to give students the skills to succeed in the workplace. In addition, a loophole in current federal law allows for-profit colleges to scoop up G.I. Bill benefits without counting these dollars toward the 90% limit on federal taxpayer revenue for-profit colleges can receive. As Attorney General, Kamala called on the VA to restore benefits for veterans defrauded by for-profit Corinthian Colleges. In the U.S. Senate, she'll continue to fight to protect our veterans by working to close loopholes that allow for-profit colleges to report G.I. Bill benefits as private funds, place tighter caps on the amount taxpayer dollars for-profits can receive, and reinstate education benefits for veterans and service members defrauded by these colleges.

II. Make College Affordable & Alleviate Student Loan Debt

The American workforce is changing—low skill jobs are on the decline, while high skill jobs requiring a college degree are becoming a greater share of the labor market. By 2020, 38% of jobs in California will require a bachelor's degree or more. As the demand for higher education is expected to increase throughout California and the nation, higher education costs have risen disproportionately over the last decade while incomes have remained stagnant. As a result, America's young adults are burdened with a staggering amount of student loan debt, making it harder for them to buy a home or start a small business. For the more than four million Californians with student loans, eliminating the student loan debt crisis will open the door of opportunity and improve the labor market by promoting innovation and entrepreneurship.

This is especially true for undocumented students, who are ineligible for many student aid programs due to discriminatory federal policies. Giving undocumented students the tools to succeed is crucial to expanding our nation's workforce and making sure America remains competitive in today's global economy.

We need to make sure that the prospect of incurring student debt no longer deters Californians from pursuing higher education. Kamala will fight to make sure students can succeed in this evolving job market by making sure every student has access to a quality, affordable higher education and the flexibility to manage their student loan debt.

Free Community College and Household Income-Based Free Tuition at Public Colleges and Universities. The drastic rise in higher education costs has forced students to incur substantial student loan debt. Kamala believes that America's young people should not be forced to take on staggering amounts of debt to obtain the college education they deserve. Kamala will fight to make sure that higher education is affordable by making colleges and universities free for students whose families earn less than \$140,000 a year.

Increase Aid to Fund Non-Tuition Costs. The non-tuition costs of college attendance, such as room and board, books, fees, and living expenses, add up to over \$14,000 per year on top of tuition, which averages over \$20,000 per year for a four-year program. Yet the maximum annual

Pell Grant award is only \$5,815 – barely covering 15% of total costs. In addition, federal college readiness programs targeted at low-income middle and high school students, such as GEAR UP, provide limited scholarship dollars that do not cover the full costs of attendance. Kamala believes we should expand our federal government’s existing grant programs like Pell Grants and GEAR UP to provide additional assistance to low-income students. In the U.S. Senate, she’ll fight to make sure low-income students can use their full Pell Grants for non-tuition costs and expenses. She’ll also work to provide funding that GEAR UP graduates can use to pay for expenses once they are enrolled in college.

Improve Access to Student Aid by Simplifying the FAFSA. Although low- and moderate-income students are more likely to enroll in college if they complete the FAFSA, only 53% of California’s high school seniors complete the student aid form. No student should miss their opportunity to attend college because of a complicated document. Kamala will fight to make the FAFSA more accessible by reducing the form to just a few questions, increasing federal support of state and local outreach efforts, and providing high school students with access to knowledgeable college counselors who can walk them through the student aid process.

Increase Federal Work Study for Low-Income Students and Expand Private Sector, Career-Related Job Placements. An increasing number of students seek outside employment during college to pay for tuition and expenses. However, the federal work study program—which provides nearly 700,000 students with employment each year—rarely places students in jobs connected to their field of study and does not prioritize low-income students who are most in need of outside employment during college. Kamala will fight to improve the federal work study program by increasing awards for low-income students and seeking career-related placements for students to expand their post-graduation employment opportunities.

Tax Credits for Families to Help Them Save for College. Saving for college is hard and American families need all the help they can get. In the U.S. Senate, Kamala will fight to make the tax code fairer for students and their families, including creating an annual, refundable tax credit for low- and moderate-income families who contribute to tax-advantaged college savings plans. Kamala will also work to ensure that families who contribute to these plans will be able to rollover unused funds into retirement and other tax-deferred savings accounts.

Refinance Existing Student Loan Debt, Improve Student Loan Forgiveness & Expand Income Driven Repayment. Even though 42 million Americans are saddled with student loan debt, 7.6 million are in default, and a quarter are behind on their student loan payments, these loans cannot be refinanced the same way people are able to refinance a mortgage, car loan, or business debt. Instead of protecting students, Congress has passed law after law making student debt the worst kind of debt for Americans and the best kind of debt for banks and debt collectors. Americans must be given the opportunity to refinance student loans at today’s lower rates. Providing this relief will help strengthen our economy and relieve the economic stagnation caused by high student loan debt. In the U.S. Senate, Kamala will fight to allow borrowers to refinance federal and private student loans at current interest rates. She’ll also fight to expand student loan forgiveness and income-driven repayment for student borrowers, with preferences for those who enter public service careers like teaching.

Allow Borrowers to Discharge Student Loans in Bankruptcy. Kamala believes those who successfully complete the bankruptcy process should be given a fresh start. Yet many people filing for bankruptcy have student loans that cannot be discharged under the current law, even though these student loans are similar to other types of dischargeable debt. If the companies that prey on students can get relief through bankruptcy, the same relief should be available to students and working families. In the U.S. Senate, Kamala will fight to allow borrowers to discharge both private and, under certain circumstances, federal student loans, provided that the borrowers have a demonstrated history of making payments on their federal student loans.

Give Undocumented Students Equal Access to Higher Education. Nearly 65,000 undocumented students graduate from high school in the United States every year, and there are more than 500,000 undocumented students under the age of 16 in California. Yet our federal government has set these hardworking students up for failure by denying them access to in-state tuition and federal financial aid, such as Pell Grants and low-interest student loans. Our nation's discriminatory treatment of undocumented students must stop. Kamala will continue to stand up for undocumented students in the U.S. Senate by fighting for equal access to in-state college tuition and federal financial aid so that they can fully develop their talents, help grow our economy, and achieve the American dream.

Combat Barriers to Education for Justice-Involved Students. Kamala has spent her career fighting for Smart on Crime policies that improve public safety and reduce recidivism by providing those involved in the criminal justice system with the tools they need to rebuild their lives. In the U.S. Senate, she'll fight to Ban the Box on college admissions so that qualified students with criminal records can pursue an education, and end the ban on justice-involved students' access to federal financial aid for in-custody and out-of-custody education so these students can rebuild their lives and fully contribute to society. She'll also call for students to be able to expunge their records for certain offenses once they've successfully completed their degrees.

Increase Support for Student Parents. The number of student parents in the U.S. has increased dramatically, and nearly half of student parents are single mothers. Yet, with full-time infant care costing between \$4,000 and \$17,000 a year, many of these parents struggle to find and pay for the childcare they need to complete their college degrees. In addition, nearly all campus childcare centers maintain a waiting list. These parents must have access to affordable childcare to pursue their educations, grow our economy, and provide for their families. In the U.S. Senate, Kamala will fight for measures to expand funding for on-campus childcare, increase investments in student support programs, and extend additional federal grant aid to student parents.

Improve College Counseling for Veterans. The federal educational benefits that our nation's veterans earn while fighting for our country play an important role in their decision to serve and protect. However, our veterans are required to navigate a web of sources to get information on the education benefits available to them. In the U.S. Senate, Kamala will continue to be a champion for our nation's veterans and will fight to provide our veterans with tools, including one-on-one college counseling, to help them navigate the educational benefits available across different departments of the federal government.

III. Reinvest in Higher Education

Kamala knows that we must invest in higher education to support and create job growth at home and enable our next generation to be competitive in a growing global economy. However, public colleges and universities are suffering under drastic state funding cuts from the Great Recession. California cut its state investment in higher education by over 16% from 2008-2012, more than all but eight states during the period. Meanwhile, California's community colleges, UC and CSU campuses are unable to match student demand, resulting in tuition increases and leaving an education gap that has been filled by corporate colleges. This education gap disproportionately impacts low-income students who rely on public colleges and universities and are often the targets of predatory for-profit colleges. With college enrollment demands expected to increase in the coming years, it is crucial that our representatives at the state and federal levels make investment in higher education a top priority.

Federal Grants To Promote State Investment In Higher Education. The federal government's grant authority is a powerful tool to promote investment in higher education. Kamala will fight for federal grants that provide incentives for states to increase funding for higher education by basing their grants on states' level of investment in public colleges and universities. Kamala will also push to award federal grants to non-profit colleges and universities with a demonstrated record of supporting and graduating underserved students, including students of color and those who are the first in their families to go to college.

Improve College Readiness for High School Students. Investment in higher education has to start before students get to college in order to develop a 21st century workforce that makes use of all our human talent. Yet, nearly 25% of college students nationwide have to enroll in remedial classes during the first year of college, costing American families nearly \$1.5 billion. In addition, the average student-to-counselor ratio in schools around the country far exceeds the recommended ratio. Kamala will fight to close the gap between college eligibility and college readiness by increasing the number of college counselors in high schools and creating incentives for high schools to add Advanced Placement and early college courses to their courses of study.