

Clinton Proposes a ‘New College Compact’

By Don Sutherland

At a town hall event in Exeter, New Hampshire yesterday, former Senator and Secretary of State Hillary Clinton called for a new [\\$350 billion college compact](#) “to make a quality education affordable and available to everyone willing to work for it—without saddling them with decades of debt.” In her remarks, Clinton cited the benefits of higher education and the challenges facing contemporary students.

Her compact is comprised of five elements:

- No student should have to borrow to finance tuition at a public college or university
- Schools will need to exercise better control over their costs
- States will need to meet their obligation to invest in higher education
- The federal government will increase higher education investment and “won’t profit off student loans”
- Students existing debt will be able to refinance at lower interest rates

In addition, Clinton’s plan would permit students who qualify for Pell Grants to use them to help cover their living expenses, as well as college tuition and fees. At the same time, she reaffirmed her commitment to President Obama’s plan to make attendance at community colleges free, while committing to seek to make their community college credits transferable to four-year institutions.

She wrapped up her remarks explaining:

I want every young person in America to have their shot at that moment. I want every hard-working parent out there to get the chance to see his or her child cross a stage — or to cross it themselves. America should be a place where those achievements are possible for anyone who’s willing to work hard to do their part. That’s the country I want to help build — for this generation and all the generations to come.

If Clinton is elected President in 2016, the success of her plan will depend on a number of factors including:

- Fostering sufficient bipartisan support to move her plan through Congress following a period of abnormally low bipartisan cooperation
- An ability to fully fund the program at a time when mandatory spending programs are gradually accounting for a growing share of the nation’s budget and the enormous Baby Boom generation is retiring
- The role four year institutions play with respect to accepting transfer credits. The current articulation-based model often provides constraints. Bringing about broad-based transfer of credits could be challenging, and not every institution is likely to accept such transfer. A more limited focus on public institutions under which she

envisions students not having to borrow to finance their tuition might be more feasible.

Overall, the Clinton plan offers a substantive higher education reform framework. Critical details will still need to be laid out to transform it into a concrete proposal. Factors beyond federal policy could be important in determining how effective the proposal is, should it be enacted into law.