

The Daily Dish April 24th Edition

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New AAF poll and video- Nation's Views on Higher Education: AAF took on the task of finding out how Americans look at higher education. The results span a number of areas. Some key findings include:

- 54 percent of respondents agree that increased Federal spending on student loans and grants has led tuition costs to rise;
- Just 34 percent of respondents feel that it is the role of either the Federal or State governments to control college costs;
- 55 percent of respondents oppose giving the federal government the authority to set price controls on public colleges and universities; and
- 68 percent of respondents believe it is the student's or parent's of students responsibility to make sure they have an opportunity to get an education.

New AAF insight- New Regulatory Review Plans Impose New Costs, Cut Paperwork: The AAF report found that in spite of an executive order to identify and reduce the regulatory burdens, agencies have not submitted plans on schedule, the plans are not retrospective in nature, and regulations have been issued that increased the regulatory costs to the tune of \$43.8 billion. HHS alone has added over \$10 billion in costs including \$5.9 billion and 11.4 million paperwork burden hours due to Obamacare. None of the law's fifteen "retrospective" rules cut costs or paperwork hours. With billions more in costs, this begs the question, "What was retrospective?"

Eakinomics: The Political Economy of Higher Education

College education for one's kids has become a central component of the American Dream. In recent years, however, the cost, value, and federal financing of higher education have become part of a rising public debate over the future of higher education. To get a better understanding of the issues most important to the public, AAF commissioned a nationwide poll on this issue by Glen Bolger and Jim Hobart of Public Opinion Strategies.

Perhaps unsurprisingly, they found that more than 9 in 10 respondents (92 percent) believe that college is too expensive — who doesn't want something to be cheaper. More interestingly, despite the perceived costs, the respondents aren't shifting the blame for not reaching college goals — nearly 7 in 10 (68 percent) feel that individual students or their parents are responsible for making sure they have an opportunity to gain a college degree. At the same time consumers have a price point: 52 percent of respondents believe that a four-year college degree is not worth \$26,000 in debt upon graduating.

Despite the public's reservations about the value proposition embedded in a college degree, they are skeptical of the federal government's role: (a) 54 percent of respondents agree that increased Federal spending on student loans and grants has led tuition costs to rise; (b) just 34 percent of respondents feel that it is the role of either the Federal or State governments to control college costs; and (c) 55 percent of respondents oppose giving the federal government the authority to set price controls on public colleges and universities.

The polling results are interesting in that they essentially point a finger at the higher education sector and demand that it deliver a better, more affordable, more valuable product. In the absence of access to government resources like Pell Grants and student loans, the sector would be forced to adopt innovative teaching technologies and otherwise restructure its operations. This seems desirable. Unfortunately, the administration seems set on a strategy of more subsidies, more loans, and greater forgiveness of debts — all of which short-circuits the need to economize.

The U.S. public wants a better value proposition in education and wants the private sector to deliver it. Will the administration listen?