



Insight

The Direct Student Loan Program Budget Shortfall in Perspective

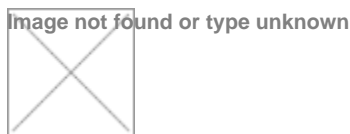
CHAD MILLER | FEBRUARY 9, 2015

AAF has written about the mounting cost of the Direct Student Loan Program for some time now (see [here](#), [here](#), [here](#), and [here](#)), but the nearly \$22 billion shortfall projected in the president's 2016 budget for the program was large enough to catch the attention of national news media, and it should. Even in a \$4 trillion budget, \$22 billion is a lot of money. For some perspective, the \$22 billion that the Department of Education is estimating to spend to cover up the shortfall in direct lending is:

\$6 billion more than the President proposed spending on low-income K-12 education programs (Title I)



\$10 billion more than the President proposed spending on the Individuals with Disabilities Education Act (IDEA)



70 times more than the President proposed spending on charter schools



Nearly 17 times more than the President requested for universal preschool, his signature education initiative.

