

a new IDR plan. The new plan should have an income exemption equal to the poverty line and require payments of 10 percent of income above the exemption. If new legislation is possible, there should be no loan forgiveness, but if not, existing law would require forgiving any remaining balance after 25 years.

President Biden has proposed a new income-driven repayment program that would be extremely generous to borrowers, requiring only nominal payments from most students. It would turn every policy lever to the most generous setting on record (e.g., lowering the percentage of income owed from 10 percent to 25 percent under existing plans to 5 percent, lowering the number of years of payment required from 20 or 25 years to 10 years, and increasing income exemption from 150 percent to 225 percent of the poverty line). The median borrower who earns an associate degree would owe only \$15 a month, regardless of how much he or she had borrowed. The median bachelor's degree borrower would owe only \$68 a month. This plan essentially converts these student loans into delayed grant programs.

OTHER STRUCTURAL REFORMS THAT THE DEPARTMENT OF EDUCATION REQUIRES

Reform Federal Education Data Collection

The National Assessment of Educational Progress (NAEP) and other data collections currently release data by race, ethnicity, socioeconomic status, English language proficiency, disability, and sex. However, one of the most important—if not the most important—factor influencing student educational achievement and attainment is family structure. As education scholar Ian Rowe has noted, NAEP already collects data on students' family structure; it just does not make those data publicly available.

- **The Department of Education (or whichever agency collects such data long term) should make student data available by family structure to the public, including as part of its Data Explorer tool.**
- **As discussed above, data collection efforts should be consolidated under the Census Bureau.**
- **Data collection efforts in higher education should also be improved by housing higher education data at the Department of Labor.** This would provide more transparency in evaluating postsecondary education and workforce training program outcomes; contextualize those results based on trends observed more generally; enable the adjusting of real