

PREPARING FOR THE EFFECTS OF THE “ONE BIG BEAUTIFUL BILL ACT”

H.R.1, which became law in July 2025, impacts agencies and programs throughout the federal government. It will have direct effects on higher education, including changes to student borrowing, Pell Grants, endowment taxes, and institutional accountability, as well as indirect effects on program quality and student safety nets.

How are campuses preparing for the impact of this wide-ranging law?



“ As sweeping as this legislation is, we must seize this moment to confront criticisms, rebuild public trust, and reimagine ways to support students. For example, we can prioritize access through re-emphasizing philanthropic and institutional financial aid investments while promoting financial literacy. On institutional accountability, we can be proactive in rigorous assessment of student learning and career outcomes while also articulating a broad view of the public good aspect of our mission. The devil will be in the details, and we must start now by collaborating with AAC&U and other organizations to have a voice in rulemaking and implementation. ”

Jonathan Alger
President, American University



“ H.R.1 demands urgent, strategic adaptation. Institutions, especially those serving low-wealth students, must fortify financial aid advising, advocate aggressively for Pell protections, and scrutinize endowment management. We must expand wraparound services to buffer reduced safety nets and enhance institutional effectiveness metrics to meet new accountability thresholds. Investing in compliance capacity and leveraging our collective voice through strategic alliances is vital. This is not just a funding issue—it’s an equity issue. We must act decisively to protect access, preserve excellence, and sustain the transformative mission of our institutions for the students and communities we were built to serve. ”

Roslyn Clark Artis
President & CEO, Benedict College



“ Bunker Hill, like many community colleges, is experiencing incredible growth thanks to our state’s investments in public higher education with Free Community College. The need for accessible and affordable higher education as the gateway to a skilled workforce and upward mobility has never been greater. At the same time, we are under tremendous pressure to deliver and succeed in uncertain circumstances. I am focused on delivering for all our students—whether that means filling gaps in funding, the safety net, or staffing to maintain effectiveness. We have seen worse, and we will know better, but only if we are prepared to go the distance for our students. ”

Pam Eddinger
President, Bunker Hill Community College

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“ We are reviewing each financial aid package to assure that we are prepared to do everything possible for students whose federal aid may be diminished to still have a viable pathway to attend and complete—sadly that won’t always be possible. We need to continue making those shortfalls known to our elected officials so they don’t lose sight of the human toll of their actions. As implementation unfolds, they need to understand how their decisions are threatening the futures of our students. ”

Jonathan D. Green
President, Susquehanna University



“ It is more important than ever that campuses have absolute clarity about their institutional mission. Knowing what you will proclaim and defend at all costs is essential right now.

While the immediate challenges are many, the greatest risk is if we attempt to respond to every fleeting issue in a transactional manner. Shifting your policies, priorities, and strategies without regard for your mission may yield a form of short-term stasis, but will severely compromise the transformational impact of higher education.

In the words of Bessie Carter Randolph, Hollins class of 1912 and Hollins President from 1933-1950, ‘Higher [education] institutions must, if they are to survive, adhere with unflinching faith to the long-run task of preparing thinkers, never selling truth to serve the hour.’ ”

Mary Dana Hinton
President, Hollins University



“ As a small, independent liberal arts college, Macalester is deeply committed to affordability, doing all that we can to ensure access to students from a wide range of socioeconomic groups and different perspectives. Pell Grants, access to federally subsidized student loans, and revenue generated from endowments are all important tools for expanding the pipeline to higher education. We are deeply concerned about any consequences of the Bill that negatively impact student enrollment. ”

Suzanne M. Rivera
President, Macalester College

Resources:

- [How Does the Final Reconciliation Bill Impact Higher Ed?](#) (American Council on Education)
- [How Medicaid Cuts Undermine Belonging](#) (*Inside Higher Ed*)