May 18, 2020

The Honorable Rosa DeLauro Chairwoman House Appropriations Labor-HHS-Education Subcommittee Washington, DC 20515

The Honorable Tom Cole Ranking Member House Appropriations Labor-HHS-Education Subcommittee Washington, DC 20515 The Honorable Roy Blunt Chairman Senate Appropriations Labor-HHS-Education Subcommittee Washington, DC 20510

The Honorable Patty Murray Ranking Member Senate Appropriations Labor-HHS-Education Subcommittee Washington, DC 20510

Dear Chairwoman DeLauro, Chairman Blunt, Ranking Member Cole, and Ranking Member Murray:

As you work on providing economic relief to American families amid the COVID-19 crisis and move forward with the FY21 appropriations process, we, the undersigned organizations, write to urge you to invest in and protect the Pell Grant program — the nation's cornerstone investment in higher education — to ensure students have the funds to pursue postsecondary education during this emergency and in its aftermath.

Additional investments in Pell Grants and colleges and universities are urgently needed to cushion the current economic downturn, invest in a stronger recovery, and prevent yet another spike in student debt. As part of your next economic relief package, we urge Congress to significantly increase the purchasing power of the Pell Grant by doubling the maximum award. Additionally, as the FY21 Labor-HHS-Education appropriations process moves forward, we ask you to commit to at least ensuring that the grant increases at the rate of inflation; we also ask you to commit to keeping the Pell Grant surplus funds within the Pell Grant program to help secure the program's long-term viability.

As you know, Pell Grants are the foundation of our national investment in higher education. They allow nearly seven million low- and middle-income students — including nearly 60 percent of Black undergraduates and almost half of Latino undergraduates — to attend and complete college. However, the current maximum Pell Grant already covers less than one-third of the cost of attending a four-year public college, the lowest share in more than 40 years. Pell Grant recipients today are more than twice as likely as other students to have student loans, and grant recipients who borrow graduate with over \$4,500 more debt than their higher-income peers.

Current and incoming students will be facing unprecedented struggles when starting the new academic year — and, likely, for years to come — and many students will need significant additional support to pay for college. States are nearly certain to be cutting their own need-based aid programs alongside overall cuts to higher education budgets in the wake of COVID-19. These cuts will lead to large increases in the financial burden on students and families. Additionally, there may be an influx of students enrolling in higher education if the economic downturn persists, <u>as seen during the Great Recession</u>.

It is critical to boost the purchasing power of the Pell Grant to meet this need. Doubling the maximum grant would be a strong start, and would boost the grant's purchasing power to cover approximately half of the costs of attending a four-year public college. Additional investments to restore the grant's purchasing power to its historic peak (when it covered approximately three-quarters of the cost of attending a four-year public institution) would be more than welcome. At a minimum, we strongly urge appropriators to continue their recent pattern of ensuring that the award at least keeps pace with inflation.

Congress should also help ensure the long-term viability of the Pell Grant program by confirming that the program's surplus funds remain within the program. At a time when students and families are likely to need major additional help to pay for college, it is imperative to prevent cuts that put the program in jeopardy and generate unnecessary uncertainty for students and schools. The ability of the current Pell surplus to fund much-needed awards is maximized if raids for other priorities are prevented.

In the wake of the COVID-19 pandemic, students pursuing higher education will face uncharted obstacles for years to come. By acting now to make long-needed investments in the Pell Grant program, and committing to protecting the existing funds within the program, Congress will help shore up students' access to postsecondary education, limit a run-up in student debt, and help restore a strong economy.

Thank you for attention to this critical matter.

Sincerely,

10,000 Degrees **Advancing Academics** Alabama Possible American Association of Collegiate Registrars and Admissions Officers American Association of University Women (AAUW) American Federation of Teachers (AFT) Arizona College Access Network Bottom Line The Campaign for College Opportunity Center for Law & Social Policy (CLASP) Center for Responsible Lending **College Advising Corps College Beyond** College Crusade of Rhode Island **College Forward College Now Greater Cleveland College Possible** College Success Arizona **College Success Foundation Consumer Action CORE Scholars Foundation Council on Social Work Education** Degrees of Change **Education is Freedom**

The Education Trust Evolve502 **Fulfillment Fund** Georgetown University Center on Education and the Workforce Georgia Budget and Policy Institute The Graduate! Network, Inc. **Higher Education Loan Coalition** Illinois College Access Network The Institute for College Access & Success (TICAS) Institute for Higher Education Policy (IHEP) Institute for Women's Policy Research John Burton Advocates for Youth KIPP LeadMN—College Students Connecting for Change The League of Student Advocates Maryland Consumer Rights Coalition (MCRC) Michigan College Access Network Mt. San Antonio College National Association of Independent Colleges and Universities (NAICU) National Association for College Admission Counseling (NACAC) National Association of State Student Grant & Aid Programs (NASSGAP) National College Attainment Network (NCAN) National Consumer Law Center (on behalf of its low-income clients) National Education Association National Urban League NY PIRG On Point for College **Operation Jump Start** Operation Jump Start | Long Beach, CA Partners for Education at Berea College PHENOM (Public Higher Education Network of Massachusetts) **Reach Higher Montana** The Scholarship Foundation of St. Louis Shasta College Skills2Compete—Colorado South High School Southern California College Access Network (SoCal CAN) St. Louis Graduates Student Action Student Debt Crisis Student Veterans of America **Tennessee College Access and Success Network** Third Way uAspire UnidosUS University of Washington U.S. Public Interest Research Group (PIRG) Women Employed

Woodward Hines Education Foundation Wyman Yes We Must Coalition Young Invincibles Youth 2 Leaders Education Foundation