Higher education is no longer a luxury — it’s a necessity. At current rates, the United States will add nearly 17 million jobs by 2020 due to growth and replacement, and those jobs will require at least some postsecondary education. Moreover, the number of jobs requiring a graduate degree is estimated to grow by about 2.4 million by that same year.

As the skill requirements of jobs continue to increase, so too should access to postsecondary education for all students. Even in these difficult economic times, it is critical that we invest in higher education, which is the most direct route to innovation, job creation, and long-term economic self-sufficiency.

About 30 percent of Americans aged 25 and older hold four-year college degrees. Among undergraduates, 56.5 percent of the student body in 2012 was female, up from 42 percent in 1970. The proportion of female graduate students grew from 35 percent to 59 percent during this same period. During the 2011–12 school year, women earned 57.3 percent of all bachelor’s degrees, 59.9 percent of all master’s degrees, and 51.4 percent of all doctorate degrees awarded in the United States.

In addition to expanding four-year and graduate degree attainment, U.S. community colleges have taken a growing role in our higher education system as they continue to play an integral part in educating and training our workforce. A third of all higher education students attend community college, including 40 percent of undergraduates. As AAUW’s recent research explains, women make up the majority of students in all sectors of higher education, including community colleges. More than 4 million women attend community colleges, which is more than the number of undergraduate women attending either public or private not-for-profit, four-year institutions.

These 4 million women include more than 1 million mothers, of whom half are married and half are unmarried. The number of unmarried or single parents among undergraduate students has nearly doubled in the last 20 years.

Securing Pell Grant Funding
One component of student access to higher education in the face of rising tuition and decreasing state investment is meaningful grant aid. The federal Pell Grant program provided grants to more than 8.9 million students in 2012–13. During that award year, about 60 percent of Pell Grant funds went to financially independent undergraduate students. Among dependent Pell Grant recipients, 61 percent came from families with annual incomes below $30,000 and about 36 percent of all Pell Grant recipients were classified as independent with dependent children.

The maximum Pell Grant covered 91 percent of the average tuition and fees at a public four-year institution in 1993–94, but only 63 percent in 2013–14. In addition, the maximum Pell Grant in 2013–14 only covered 31 percent of tuition, fees, and room and board. The maximum Pell Grant was $5,645 for the 2013–14 award year and is projected to increase to $5,975 by 2017.

The U.S. Congress must ensure that the maximum Pell Grant is maintained. Though the program has previously been excluded from sequestration, Pell Grants must be protected if those cuts continue. In addition, AAUW encourages Congress to move Pell Grants entirely to mandatory funding to ensure that even with projected increases the program is not subject to annual appropriations disagreements. Finally, to address the specific needs of nontraditional students, AAUW encourages changes to the Pell Grant.
program to allow students to access more than one grant in a school year and to increase income protection allowance, which determines how much aid working students qualify for.

Managing Student Debt
Because grant aid and family incomes have not risen at the same rates as college tuition has, the dream of a college education has become more of a challenge in recent years, prompting about two-thirds of college graduates to borrow. In 2013–14, undergraduate students received an average of $14,180 in aid per full-time equivalent student, including $8,080 in grants (of all types), $4,840 in federal loans, and $1,260 in a combination of tax credits and deductions and Federal Work-Study.12

Loan repayment is a significant burden for women, who earn less on average over the course of their lives than their male counterparts do.

A recent AAUW report — Graduating to a Pay Gap: The Earnings of Women and Men One Year after College Graduation — found that the median student loan debt burden was slightly higher in 2009 for women than men. In addition, in 2009, nearly half (47 percent) of women one year after college graduation were paying more than 8 percent of their earnings toward student loan debt. Only 39 percent of men were in the same position. Further, 53 percent of women and 39 percent of men were paying a greater percentage of their income toward student loan debt than they could afford.13

While AAUW and other advocates work to close the gender pay gap and even the playing field for women workers, we also know that income-contingent and income-based loan repayment plans (IBR) are crucial for women in particular to manage their debt, since these plans allow struggling borrowers to customize loan repayments to reflect their economic circumstances. A streamlined IBR program is key to ensuring more borrowers can easily learn about and access the program without confusion as to which income-based or contingent plan they qualify for.

In addition to making repayment more manageable for borrowers, AAUW encourages Congress to make refinancing possible for both federal and private student loans. Borrowers should be able to refinance student loans the same way that they can with other financial products. AAUW also supports provisions to make private student loans dischargeable in bankruptcy: While we hope that programs such as IBR and refinancing can help borrowers avoid bankruptcy, the ability to discharge private student debt in this worst-case scenario is imperative.

Additional Resources
Graduating to a Pay Gap: The Earnings of Women and Men One Year after College Graduation
AAUW
www.aauw.org/research/graduating-to-a-pay-gap

Women in Community Colleges: Access to Success
AAUW
www.aauw.org/resource/women-in-community-colleges

Trends in Student Aid 2013
The College Board
trends.collegeboard.org/student-aid

The Project on Student Debt
The Institute for College Access and Success
projectonstudentdebt.org

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2 Ibid


Ibid.

