Dear Chair and Ranking Members,

The undersigned organizations representing students, veterans, colleges, consumers, financial aid administrators, college access providers, scholarship providers, education advocates, civil rights advocates, workers, and the business community, write you today to stress the value of the Pell Grant program, and the critical need to retain all current Pell Grant funds in the Pell Grant program. We furthermore urge you to use the program’s existing funds to responsibly increase the maximum Pell Grant award by an amount at least equal to the annual inflation increase that would have been provided had it not been allowed to expire.

Pell Grants are the foundation of our national investment in higher education, and are essential for providing low-income students the opportunity to attend and complete college, and to pursue careers in an economy that increasingly requires a postsecondary education. Pell Grants help over 7.5 million students with significant financial need— including one-third of all White students, two-thirds of all Black students, and half of all Latino students — continue their education after high school.

The Pell Grant is in critical need of investments to restore its purchasing power, made all the more urgent with the expiration of the grant’s annual inflation adjustment after this year, which will see the grant’s real value continue to decline. The current maximum Pell Grant 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 students are already more than twice as likely as others to have student loans, and they graduate with an average of nearly $5,000 more debt than their higher income peers.
As you know, the fiscal year 2017 spending agreement already rescinded $1.3 billion from Pell Grants. Two subsequent proposals to take money from the Pell Grant reserve were included in the Administration’s fiscal year 2018 and 2019 budget requests ($3.9B and $1.6B respectively), but were recently cancelled thanks to the Congressional agreement that provided increased spending caps for both years. As you work towards a final spending agreement for fiscal year 2018, we urge you to likewise use the non-defense discretionary funds provided by the raising of the sequester caps in the Congressional budget agreement to maintain all Pell Grant funds in the Pell Grant program where they should be used to secure and strengthen the grant for current and future recipients. Taking any additional money away from Pell Grants would place key improvements, like ensuring the award amount at minimum keeps pace with inflation, further out of reach. At a time when a postsecondary credential or degree is an increasingly necessary gateway to a meaningful career, a commitment to a strong Pell Grant is critical to ensuring that students from all financial backgrounds are able to participate and grow a strong, diverse economy. Redirecting funds away from the program could also leave Pell Grants more vulnerable to future harmful cuts.

While you work towards a final spending bill for fiscal year 2018, we urge you to support low- and moderate-income students with significant financial need by keeping all Pell funds in the Pell program and increasing the grant’s maximum award amount by at least the amount agreed to by Senate appropriators last fall.

Signed,

American Association of Collegiate Registrars and Admissions Officers
American Association of University Women (AAUW)
Association of Big Ten Students
Association of Catholic Colleges and Universities
Cal State Student Association
California Community Colleges Chancellor’s Office
California EDGE Coalition
Center for Global Policy Solutions
Center for Law and Social Policy (CLASP)
Center for Responsible Lending
Colorado Center on Law and Policy
Community College League of California
Consumer Action
Consumers Union
Equal Justice Works
Excelencia in Education
Faculty Association of California Community Colleges
Foothill-De Anza Community College District
Generation Progress
Georgetown University Center on Education and the Workforce
Georgia Budget and Policy Institute
Higher Ed, Not Debt (HEND)
Higher Education Loan Coalition
Hispanic Association of Colleges and Universities (HACU)
Institute for Higher Education Policy (IHEP)
John Burton Advocates for Youth
KIPP
Los Angeles Area Chamber of Commerce
NAACP
National Association for College Admission Counseling (NACAC)
National Association for Equal Opportunity in Higher Education (NAFEO)
National Association of Independent Colleges and Universities
National Association of State Student Grant and Aid Programs (NASSGAP)
National Association of Student Financial Aid Administrators (NASFAA)
National College Access Network (NCAN)
National Urban League
NCLC (on behalf of its low-income clients)
NYPIRG
Oregon Student Association
PERG, Endicott College
PHENOM (Public Higher Education Network of Massachusetts)
Scholarship America
SEIU
Shasta College
Student Debt Crisis
Student Senate for California Community Colleges
Student Veterans of America
Students United
The Campaign for College Opportunity
The Education Trust
The Institute for College Access & Success (TICAS)
U.S. PIRG (Public Interest Research Group)
uAspire
UnidosUS
United States Student Association (USSA)
University of California
University of California Student Association
Veterans Education Success
Women Employed
Yes We Must Coalition
Young Invincibles