

Student Aid Alliance

March 6, 2017

Honorable Rodney Frelinghuysen
Chairman
Committee on Appropriations
United States House of Representatives
H-305, The Capitol
Washington, DC 20515

Honorable Nita Lowey
Ranking Member
Committee on Appropriations
United States House of Representatives
H-305, The Capitol
Washington, DC 20515

Senator Thad Cochran
Chairman
Committee on Appropriations
United States Senate
Room S128, The Capitol
Washington, DC 20510

Senator Patrick Leahy
Ranking Member
Committee on Appropriations
United States Senate
Room S128, The Capitol
Washington, DC 20510

Dear Chairmen Frelinghuysen and Cochran and Ranking Members Lowey and Leahy:

As you finalize the Fiscal Year 2017 appropriations bill, and prepare the FY 2018 appropriations bills, we write to request that you make funding the federal student financial aid programs a priority. These programs, which have suffered repeated cuts since the implementation of sequestration, are critical to ensuring that low-income students can access and complete higher education.

Federal funding for student aid is the best investment we can make in our country's future, because a college education is critical to success in today's economy. These programs strengthen our future workforce and spark innovation, increasing employment and stimulating business growth. A real effort to build our economy requires a vigorous postsecondary education component.

To support this effort, the Student Aid Alliance requests that Congress provide the following FY 2018 appropriation levels for the student aid programs:

Sufficient funding should be provided to maintain the scheduled maximum Pell Grant award of \$5,920 and reinstate year-round Pell. Adequate discretionary funding

should be made available for the foundational federal student aid program, to support a maximum grant of \$4,860, and the scheduled mandatory add-on of \$1,060 for a total maximum grant of \$5,920.

Year-round Pell was eliminated in FY 2011 under severe budget constraints. There is bipartisan support for reinstating this provision to allow students to persist to completion without losing momentum over the summer months. The existing surplus in the Pell Grant program allows for the restoration of year-round Pell and we strongly urge you to include this provision in either the completion of FY17 appropriations, or in FY18 appropriations.

In the last decade, benefits and eligibility for Pell Grants were repeatedly cut in response to funding shortfalls, pushing hundreds of thousands of students out of the program. It would be damaging to the long-term health of this fundamental program to drain available funding just as the funding outlook has stabilized. Considering the importance of maintaining the stability of the Pell Grant program, and the expiring mandatory funding that provides for annual inflation-adjusted increases, we would be greatly concerned about efforts to use the surplus for any purpose outside of student financial aid.

Supplemental Educational Opportunity Grants funding should be restored to \$757 million. SEOG has been targeted for elimination as a way to “simplify” student aid. Simplification is a worthy policy goal, but not at the expense of need-based grant aid for students. SEOG provides up to \$4,000 in need-based grant aid to the neediest Pell Grant students. Participating colleges match federal dollars to make more than \$1 billion available in grant aid. Simplifying away SEOG will leave 1.6 million students without additional grant aid.

The Federal Work Study program should be funded at \$990 million. Federal and institutional funding for FWS helps more than 700,000 students work part-time to help pay their college costs. Studies show that students who work on campus during have higher rates of persistence to graduation.

The Perkins Loan program should be provided \$250 million for loan cancellations. Institutions participating in the Perkins Loan program have been carrying loan forgiveness cancellations for the last decade. Beginning the process of reimbursing college and universities for Perkins Loans cancellation with a \$250 million appropriation would provide funding for more than 100,000 additional loans. Simply restoring Perkins Loan cancellations as an appropriations line item would allay concerns about the federal government’s ability to uphold its obligations to colleges and universities participating in this program. The last reimbursement was in FY2009 for \$68 million

The Federal TRIO programs should be funded at \$960 million. This funding amount will restore services for the more than 90,000 students who have lost access to the TRIO programs over the last decade. TRIO serves students from middle school through college, including military veterans and students with disabilities, helping them get into college and

complete with strong student support.


GEAR UP should be funded at \$350 million. This increase will bring approximately 42,000 new students into the program and would increase the overall number of students served to 612,000. GEAR UP has a proven track record of success in preparing students to enter and succeed in college.

Graduate Assistance in Areas of National Need should be provided \$31 million for graduate education programs. GANN competitive grants offer support to top students studying in fields directly related to American competitiveness.

The Leveraging Educational Assistance Partnership program should be reinstated and funded at \$64 million. Funding for LEAP was eliminated in FY 2011 under severe budget constraints. LEAP helps ensure that states are equal partners with the federal government in providing access to higher education for low-income students.

Thank you for your consideration of our request. Without the strong partnership between the federal government, states, institutions and families, millions of students would not be able to go to college. We call on Congress to continue its bipartisan support of the federal student aid programs – which combine grants, work-study and loan programs – to enable low- and middle-income students to succeed.

Sincerely,



Molly Corbett Broad
Co-Chairman



David Warren
Co-Chairman