



Student Aid Alliance

February 5, 2018

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 Congress moves to finalize the FY 2018 funding process, we know you have many important priorities to consider. On behalf of our members, we urge you to address the existing need for additional funding in the federal student financial aid programs. These programs allow low- and middle-income students to access and afford a college education, which is increasingly essential to compete in the modern economy. However, these programs have suffered repeated cuts since the implementation of sequestration in 2013, and funding has not kept pace with increased student need.

Enabling students to pursue postsecondary education has significant benefits for our country as a whole. A better-educated workforce means a stronger economy with lower unemployment, greater earnings, and less need for social services. 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 student aid programs:

Pell Grants: The Pell Grant program is the single most important tool to enable low-income students to afford college. CBO estimates over 7.5 million students will use Pell Grants in the coming academic year to finance their education. Institutions are already notifying prospective students of their available aid for the coming year, so it is critical that Congress provides sufficient discretionary funding to maintain

the program. In addition, over the past five fiscal years, the maximum Pell Grant award has been adjusted by inflation to guarantee that the level of aid stays current with the costs students face. That provision expires in FY 2018, though the need remains. The Senate recognized this need and proposed sufficient discretionary funding for a \$100 increase in the maximum award for FY 2018, to \$6,020. This level remains below inflation, and we urge you to consider a \$6,020 maximum award as a floor in determining the appropriate level of Pell funding for this year.

The bills introduced by your committees both contain rescissions of existing Pell Grant funding. 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. In a final budget deal, we encourage you to restore Pell Grant surplus dollars to maintain the stability of the program.

Supplemental Educational Opportunity Grants (SEOG): SEOG funding should be restored to \$757 million. This program provides targeted, need-based grant aid of up to \$4,000 per student to 1.6 million students. Participating colleges match federal dollars to make more than \$1 billion in grant aid available. Over 99 percent of all SEOG recipients are Pell Grant recipients, and SEOG recipients have higher need on average than students receiving only Pell Grants.

Federal Work-Study (FWS): The FWS 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 have higher graduation rates.

TRIO: The Federal TRIO programs should be funded at the \$1.01 billion level provided for in the House bill. This funding amount would 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 their programs.

GEAR UP: GEAR UP should be funded at the \$350 million level provided for in the House bill. This increase would bring approximately 42,000 new students into the program and 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 (GAANN): Proposed cuts to GAANN should be reversed, and the program should be funded at \$31 million for graduate education programs. GANN competitive grants offer support to top students studying in fields directly related to American competitiveness.

Perkins Loans: 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.

Thank you for considering 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 federal student aid programs—which combine grants, work-study, and loan programs—to enable low- and middle- income students to succeed.

SAA FY18 Appropriations Request
February 5, 2018

Sincerely,

Handwritten signature of Ted Mitchell in black ink.

Ted Mitchell
Co-Chairman

Handwritten signature of David Warren in black ink.

David Warren
Co-Chairman