March 17, 2021

On behalf of the New England Board of Higher Education (NEBHE) and the undersigned, I write in support of efforts to double the Pell grant maximum to \$12,990 by the 2021-2022 academic year and ensure that the increase is permanent by making the increased portion of the grant an entitlement.

For the 2019-2020 academic year in New England, only 46% of students at two-year institutions received Pell grant funds, and 31% of students at four-year institutions received Pell grant funds. We strongly urge Congress to support President Biden's proposal to double the Pell grant and expand eligibility due to the following factors:

- In 2019, the Pell grant covered a mere 28% of the cost of a public, four-year institution in the United States, according to <u>The Institute of College Access and Success</u>. With the increasing costs of tuition and fees, the current Pell grant is not sufficient for students' access and success in our nation's postsecondary institutions.
- On average in 2019-2020, students attending two- and four-year institutions in New England received Pell grants of \$3,688 and \$4,277, respectively. With the average cost of tuition and fees, students, on average, were required to pay \$1,810 at two-year institutions and \$8,604 at four-year institutions out of pocket. These outstanding costs, added to those associated with housing, books and transportation, prove prohibitive for many students hoping to pursue a degree.
- Between the 2014-15 and the 2019-20 academic years, tuition and fees increased by 15% at public two-year institutions and 25% at public four-year institutions in New England. Comparatively, the Pell grant increased by only 8% during the same time period. Until the cost of postsecondary education for our most vulnerable students is fully addressed, Pell grants must keep pace with the true costs of college.
- The Pell grant supports increased attainment of postsecondary credentials by New England's Black, Indigenous and people of color populations as well as the region's lowincome and first-generation students. Doubling the Pell grant will help to bridge the opportunity gaps faced by these communities and provide the crucial opportunity to pursue satisfying, well-paying careers.
- Black and Hispanic New Englanders earn, on average, 49% and 78% less, respectively, than white New Englanders (U.S. Census Bureau). Because of this significant income gap, many Hispanic and Black New Englanders are required to use a larger share of their income to pay for college and are more likely to rely on federal and state financial aid to help subsidize these costs. As these populations continue to grow in New England, doubling the Pell grant minimum would incentivize increased enrollment, help reduce post-graduation debt and support increased attainment—all of which boost these individuals' opportunity to procure well-paying jobs and diminish income inequality.

While states have a significant role to play in sustaining a long-term commitment to adequate funding for higher education, particularly in New England, the Pell grant remains a foundational gateway to enrollment and attainment. President Biden's proposal to double the Pell grant and expand eligibility to more middle-class Americans, if enacted, would make college a possibility for those who may have previously deemed college unaffordable.

Thank you for your efforts to make postsecondary education more affordable and, therefore, accessible for all individuals seeking to pursue and complete a degree in postsecondary education.

Please do not hesitate to contact us if we can provide further information.

Respectfully,

Michael K. Thomas President and CEO

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New England Board of Higher Education

NEBHE's mission is to promote greater education opportunities and services for the residents of the six New England states. Accordingly, NEBHE provides programs and policy resources on behalf of New England's 260 Title IV-participating degree-granting institutions and the 1,048,713 postsecondary students they enroll.

On behalf of:

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