

New England Board of Higher Education

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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 New England, over 260,000 undergraduate postsecondary education students are awarded Pell grants (National Center for Education Statistics). By sector, 46% of community college students in the region are Pell grant recipients, as are 31% of undergraduates at public 4-year institutions and 27% of undergraduates at private, nonprofit institutions (the number of Pell recipients at private, nonprofit institutions in New England has grown by 35% over the last 5 years).
- 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. Given the average cost of tuition and fees, however, Pell-eligible students are still left with unmet need of \$1,810 at two-year institutions and \$8,604 at four-year institutions. Doubling the Pell grant would erase that unmet need at two-year institutions and put a four-year degree well within reach of needy students.
- The Pell grant supports increased enrollment and attainment of postsecondary credentials by New England's Black, Indigenous and people of color populations as well as the region's low-income and first-generation students. By sector, students of color represent 40% of community college undergraduates, 25% of 4-year public institution undergraduates and 31% of private, nonprofit undergraduates (people of color make up 25% of New England's total population). Based on demographic trends, New England's institutions will continue to become more diverse. And yet, in some New England states, the attainment gap between people of color and white people are as large as 30 percentage points (Lumina Foundation). Doubling the Pell grant will bridge the opportunity gaps faced by these communities and expand access to postsecondary credentials.
- 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 will incentivize increased enrollment and completion, reduce student loan 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,

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Michael K. Thomas President and CEO 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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