



STATEMENT OF LAUREN ASHER
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Congress Urged to Continue to Invest in Pell Grants in FY2012

Budget Deal for FY2011 Praised for Preserving Maximum Pell Grant and Rejecting Gainful Employment Policy Rider

“Students and families who are counting on federal Pell Grants to help pay for college can breathe a sigh of relief for now. Despite threatened cuts, the fiscal year 2011 bipartisan budget agreement would preserve the maximum grant of \$5,550 for the 2011-12 school year.

“As advocates for students and taxpayers, we are relieved that the budget negotiators protected the maximum Pell Grant, so that this crucial investment can continue to help millions of Americans get the education and training our workforce needs to succeed.

“However, the House Budget Committee has already proposed drastic cuts to Pell Grant funding in fiscal year 2012. These proposed cuts would slash the maximum grant and shrink or completely eliminate need-based grants for more than nine million students nationwide. These cuts would dramatically reduce college access and affordability when we should be doing all we can to help Americans, especially the more than 13 million unemployed, get the skills, training, and credentials they need.

“In the 1980s, the maximum Pell Grant covered about one-half of the cost to attend a four-year public college. Today, the Pell Grant covers only about one-third of the cost. When America’s economy needs more students to complete college – and more are struggling financially to do so – we should be investing in Pell Grants and increasing the maximum award of \$5,550, not cutting it.

“We also need to ensure that Pell Grants are not wasted on career education programs that over-promise and under-deliver. Along with dozens of civil rights, consumer, veterans, and college access groups, we are very pleased that the fiscal year 2011 negotiators rejected the career college industry’s massive lobbying effort to block a common-sense “gainful employment” rule. The proposed policy rider would have forced the U.S. Department of Education to turn a blind eye to waste, fraud and abuse in career education programs that receive billions of dollars in Pell Grants and other taxpayer-funded student aid. With almost daily revelations about fraudulent and deceptive practices at career colleges that leave students with insurmountable debt and waste taxpayer dollars, a strong gainful employment regulation is urgently needed.

“We urge Congress to continue to protect and invest in Pell Grants in fiscal year 2012, and look for ways to increase the maximum grant, not cut it, so that more qualified students can stay in school, graduate, and enter the workforce with the skills that our economy demands.”

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An independent, nonprofit organization, the Institute for College Access & Success works to make higher education more available and affordable for people of all backgrounds. For more about our programs and initiatives, including the Project on Student Debt, see <http://ticas.org>. Follow us on Twitter: http://twitter.com/TICAS_org.