June 7, 2016

**TICAS Statement on the Opportunity to Strengthen Pell Grants and the “Dangerous Precedent” in the Senate FY17 Appropriations Bill**

“The bipartisan Senate agreement to restore the ability of some students to access Pell Grants year-round is a positive step, but it will help only a small fraction of Pell Grant recipients. Moreover, the Senate FY17 appropriations bill being marked up today also takes $1.2 billion out of the Pell Grant program to fund other programs. We agree with Senator Tammy Baldwin who today called this “a dangerous precedent” and “troubling” given rising student debt levels. We can and must do more to help all 8 million Pell Grant recipients get to and through college without burdensome debt.

“Declining program costs, resulting in part from prior harmful cuts as well as from an improving economy, have generated enough surplus funds that Congress could restore year-round Pell Grants and strengthen the purchasing power of the grants by increasing the maximum award beyond the scheduled increase for inflation. We agree with Education and the Workforce Committee Ranking Member Rep. Bobby Scott, Higher Education and Workforce Training Subcommittee Ranking Member Rep. Rubén Hinojosa, and the Congressional Tri-Caucus, that now is the time to raise the maximum Pell Grant to reduce the need for Pell Grant recipients to borrow. Investing existing Pell funds in this way would help all Pell Grant recipients while keeping the program on solid fiscal footing.

“Even after the scheduled FY17 increase for the 2017-18 school year, the maximum Pell Grant of $5,935 will cover the smallest share of the cost of attending a public four-year college in more than 40 years—less than 30 percent. With student debt at record highs and rising, Pell Grant recipients are already more than twice as likely to have student loans, and they graduate with more debt than their higher-income peers.

“We strongly urge the Senate Appropriations Committee to reconsider taking $1.2 billion from Pell Grants to fund other programs, and to instead use Pell Grant funds only to strengthen Pell Grants. Raiding Pell Grant funds to finance other programs will exacerbate already record-high student debt levels and limit opportunities for millions of low- and moderate-income students who need a college education to advance in our economy and society.”

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An independent, nonprofit organization, The Institute for College Access & Success (TICAS) works to make higher education more available and affordable for people of all backgrounds. Our Project on Student Debt works to increase public understanding of rising student debt and the implications for our families, economy, and society. For more information see www.ticas.org or follow us on Twitter at www.twitter.com/TICAS_org.