



February 13, 2019

The Honorable Doug Jones  
United States Senate  
326 Russell Senate Office Building  
Washington, DC 20510

The Honorable Elizabeth Warren  
United States Senate  
317 Hart Senate Office Building  
Washington, DC 20510

The Honorable Kamala Harris  
United States Senate  
112 Hart Senate Office Building  
Washington, DC 20510

The Honorable Catherine Cortez Masto  
United States Senate  
204 Russell Senate Office Building  
Washington, DC 20510

Dear Senator Jones, Senator Warren, Senator Harris, and Senator Cortez Masto,

On behalf of the Council of Graduate Schools (CGS), I want to thank you for the opportunity to provide feedback in response to your January 3, 2019 letter soliciting potential solutions to address the disparities that students of color face when accessing and financing their postsecondary education. For more than five decades, CGS has served as the national organization dedicated solely to advancing graduate education and research—our membership includes over 500 institutions of higher education in the United States, Canada, and abroad. Collectively, our members confer 87 percent of all U.S. doctorates and the majority of U.S. master's degrees. CGS has a strong commitment to promoting diversity, equity, and inclusion within our programs. According to recent CGS data, in Fall 2017, nearly 24 percent of all first-time U.S. citizens and permanent resident enrollees were underrepresented minorities.<sup>1</sup>

Our data show that over the past two years, while first-time enrollment of Hispanic/LatinX students and Black/African American students saw modest increases, the overall share of underrepresented minorities (URM, including Hispanic/LatinX and Black/African American students) enrolled in master's and doctoral degree programs at U.S. institutions of higher education remains disproportionately low.<sup>1</sup> Additionally, students identifying as American Indian/Alaska Native, Native Hawaiian/Other Pacific Islander, and Black/African American remain particularly underrepresented in STEM fields.<sup>1</sup> Careers requiring a master's or doctoral degree at entry-level (including STEM-focused careers) are projected to be the fastest-growing segment of the workforce through 2026.<sup>2</sup> Therefore, CGS believes that federal student financial aid and loan programs can be enhanced to allow a greater number of financially disadvantaged individuals—many of whom also identify as URM—to pursue graduate education. This would help ensure that a 21<sup>st</sup> century U.S. workforce is reflective of our evolving demographics and would provide these individuals a path toward greater economic security.

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<sup>1</sup> Okahana, H., & Zhou, E. (2018) [Graduate enrollment and degrees: 2007-2017](#). Washington, DC: Council of Graduate Schools.

<sup>2</sup> U.S. Bureau of Labor Statistics. (2017). Occupational outlook handbook. Retrieved from: <https://www.bls.gov/ooh/>.

Over the past decade, certain changes to federal student loan programs have made graduate education less affordable. Graduate students currently pay multiple origination fees, are no longer eligible for subsidized loans, and have higher interest rates. These actions have disproportionately impacted the ability of low-income students and students of color to afford graduate school.<sup>3</sup> As our nation becomes increasingly diverse, federal student financial aid and loan programs must be designed to improve access and completion for URM's at both the undergraduate and graduate levels.

### *Enhancing Pell Grants to Promote Completion of Undergraduate and Graduate Education*

For the past 50 years, the Pell Grant program has been largely successful at providing access to undergraduate education for low-income and underrepresented students.<sup>4</sup> We believe the program can be modernized to further encourage completion at both the undergraduate and graduate levels, and in turn, help propel more highly-educated and skilled individuals into the workforce in a timely manner. To this end, CGS proposes extending Pell-eligibility to graduate students who remain income-eligible and did not exhaust the full 12 semesters of support during their undergraduate education. This would allow the nearly 35 percent of graduate students who were Pell eligible and did not use all 12 semesters to apply the remaining support toward their graduate education.<sup>5</sup> This proposal was included as a provision in the *Aim Higher Act* (H.R. 6543).<sup>6</sup>

This proposal may help incentive undergraduate students to complete a bachelor's degree in a timely fashion if they are aware that the remaining balance of their Pell support can rollover to their graduate degree. Moreover, CGS has found that for URMs in the STEM fields, earning a master's degree increases the likelihood of completing their doctoral education.<sup>7</sup> Thus, allowing graduate students to fully exhaust their Pell support could also serve as vehicle to diversify both bench scientists as well faculty in academic settings across the spectrum of higher education, from community colleges to four-year institutions.

### *Enhancing Other Federal Student Aid and Loan Programs*

CGS also supports enhancing current federal student aid and loan programs that provide access to graduate school for students from underrepresented communities:

- The Grad PLUS loan program serves as a critical lending option, especially given that graduate students no longer have access to federally-subsidized Direct loans. Grad PLUS also offers an alternative to loans on the private lending market that may have higher interest rates, which increase the amount owed upon graduation. Moreover, Grad PLUS may help some students avoid predatory lenders, many of whom disproportionately target students of color.<sup>8</sup>

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<sup>3</sup> Miller, B. (2017, October 16). Center for American Progress. Retrieved from: <https://www.americanprogress.org/issues/education-postsecondary/news/2017/10/16/440711/new-federal-data-show-student-loan-crisis-african-american-borrowers/>.

<sup>4</sup> U.S. Department of Education (September 2015). *Trends in Pell Grant Receipt and the Characteristics of Pell Grant Recipients: Selected Years, 1999–2000 to 2011–12*. Retrieved from: <https://nces.ed.gov/pubs2015/2015601.pdf>.

<sup>5</sup> Data from U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 2007-08; 20011-12; and 2015-16.

<sup>6</sup> Retried from: <https://edlabor.house.gov/imo/media/doc/Aim%20Higher%20Act%20--%20Bill%20Summary.pdf>; Page 7.

<sup>7</sup> Sowell, R., Allum, J., & Okahana, H. (2015). *Doctoral initiative on minority attrition and completion*. Washington, DC: Council of Graduate Schools.

<sup>8</sup> Seamster, L., & Charron-Chenier, R. (2017). Predatory inclusion and education debt: Rethinking the racial wealth gap. *Social Currents*, 4(3), 199-207. <https://doi.org/10.1177/2329496516686620>

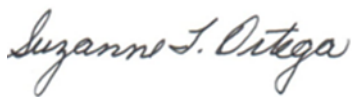
- CGS supports strengthening investments in financial aid programs for undergraduates—including Supplemental Educational Opportunity Grants (SEOG), Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP), Federal TRIO Programs, and the Ronald E. McNair Postbaccalaureate Achievement Program. These programs provide access to many low-income, first-generation URM college students, and as a result, support the future pipeline of graduate students.
- CGS also supports maintaining the ability of graduate students to participate in Federal Work-Study, which helps students in financial need pay for their studies while gaining necessary work experience, particularly in fields that service the community, and providing robust funding for the Graduate Assistance in Areas of National Need (GAANN) Program, which offers assistance for graduate students from disadvantaged backgrounds and/or who exhibit a financial need.
- The Public Service Loan Forgiveness (PSLF) Program provides an incentive for talented individuals to pursue careers in the public sector. Many of these occupations are in healthcare or social service fields requiring at least a master's degree to be licensed at entry-level, but where financial compensation is not necessarily high. Historically underserved communities frequently have a significant need for the services that these professions provide. Thus, PSLF should be preserved, if not strengthened, in order to continue offering the ability of individuals from these communities to enter into these fields.

### *Improving Transparency and Information about Financial Aid and Borrowing Options*

CGS has found that both graduate and undergraduate students are looking for more transparent and better information regarding their federal student aid options,<sup>9</sup> particularly as the types of aid available differ upon entering graduate school. Recent data show that as far back as high school, students lack the financial education to make informed decisions regarding how to pay for their education, and this is more prevalent among students of color and first-generation students.<sup>10</sup> Providing students at all levels financial education could lead to a reduction in unnecessary over-borrowing.

CGS shares your concerns around the obstacles faced by students of color in their ability to access higher education and is encouraged by your efforts to address this issue. If we can be a resource to you or your staff, please contact CGS's Vice President of Public Policy and Government Affairs, Lauren Inouye, at [Linouye@cgs.nche.edu](mailto:Linouye@cgs.nche.edu) or (202)-461-3864.

Sincerely,



Suzanne T. Ortega  
President

<sup>9</sup> Denecke, D., Feaster, K., Okahana, H., Allum, J., & Stone, K. (2016). *Financial education: Developing high impact programs for graduate and undergraduate students*. Washington, DC: Council of Graduate Schools.

<sup>10</sup> U.S. Department of Education (October 2018). *What High Schoolers and Their Parents Know About Public 4-Year Tuition and Fees in Their State*. Retrieved from: <https://nces.ed.gov/pubs2019/2019404.pdf>.