



March 25, 2019

The Honorable Robert Scott
Chairman
U.S. House of Representatives
Committee on Education & Labor
2176 Rayburn House Office Building
Washington, DC 20515

The Honorable Virginia Foxx
Ranking Member
U.S. House of Representatives
Committee on Education & Labor
2101 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Scott and Ranking Member Foxx,

On behalf of the Council of Graduate Schools, I want to thank the Committee for holding the first of five hearings on March 13, 2019 that examine pressing issues in higher education. Titled, “The Cost of College: Student Centered Reforms to Bring Higher Education Within Reach,” the hearing provided both committee members and witnesses an opportunity to assess the current financial environment within higher education as well as discuss possible solutions to promote access and affordability.

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 respectfully submits this statement for the record outlining student centered reforms to support individuals pursuing graduate education.

Upholding the Borrowing Power of Grad PLUS

During the hearing, Congresswoman Marcia Fudge inquired of the witness panel as to how the Grad PLUS program assists students in underrepresented communities attain access to graduate school. Dr. James Kvaal, President of The Institute for College Access and Success, noted Grad PLUS as a critical borrowing option that offers students, including low-income students and students of color, an alternative to the private market, where loan options may be less attainable and costlier.

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 federally subsidized loans, and have higher interest rates. Moreover, they often have other financial considerations compounding their educational ones. Graduate students are typically older than their undergraduate counterparts, and a significant portion are married (38 percent of master’s students and 45 percent of doctoral students) and/or have dependent children (collectively, 34 percent of master’s and doctoral students).¹ In 2014, 48 percent of master’s students, 45 percent of doctoral students, and 79 percent of professional students had a family income less than \$32,000.¹ Grad PLUS is a lifeline for many so that they can graduate on-time and serve in their respective fields. This is timely given that careers requiring a master’s or doctoral degree at entry-level are projected to be among the fastest-growing in the U.S. workforce through 2026.²

¹ U.S. Department of Education, National Center for Education Statistics. (2019). *Table 1.1-B Percentage distribution of graduate students, by graduate degree program and selected student characteristics: 2015-16*. Retrieved from: <https://nces.ed.gov/pubs2019/2019469.pdf>.

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

Therefore, any proposal to lower borrowing limits for Grad PLUS or the aggregate borrowing limit for graduate students is a disservice not just to students, but to employers and the public. Grad PLUS borrowing is already capped at the cost of attendance, which includes tuition and other educational expenses, such as textbooks and lab fees. Lowering the borrowing limits—or worse—eliminating the program, runs the risk of further disenfranchising potential students, particularly low-income and underrepresented minorities (URM), from entering into the graduate student pipeline, which inherently runs counter to the committee’s objectives.

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.³ More than ever, former Pell recipients are pursuing graduate education, signaling that a greater number of students who fall on the lower rungs of the socioeconomic ladder view a graduate degree as a worthy investment.⁴ 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 in graduate programs were underrepresented minorities.⁵

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.⁶ This proposal was included as a provision in the *Aim Higher Act* (H.R. 6543).⁷

This proposal may help incentivize 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.⁸ 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:

- 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

³ 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>.

⁴ Okahana, H. (2018). Data sources: increasing number of graduate and professional students are former pell recipients. Retrieved from: <https://cgsnet.org/data-sources-increasing-number-graduate-and-professional-students-are-former-pell-recipients-0>.

⁵ Okahana, H., & Zhou, E. (2018) *Graduate enrollment and degrees: 2007-2017*. Washington, DC: Council of Graduate Schools.

⁶ Data from U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 2007-08; 20011-12; and 2015-16.

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

⁸ Sowell, R., Allum, J., & Okahana, H. (2015). *Doctoral initiative on minority attrition and completion*. Washington, DC: Council of Graduate Schools.

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.

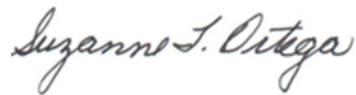
- CGS also supports maintaining the ability of graduate students to participate in Federal Work-Study, which helps students in financial need pay for their studies while gaining necessary work experience, particularly in fields that service the community, and providing robust funding for the Graduate 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,⁹ 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.¹⁰ Providing students at all levels financial education could lead to a reduction in unnecessary over-borrowing.

Again, I thank you for prioritizing these critical issues as the committee looks to reauthorize the Higher Education Act. 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 or (202)-461-3864.

Sincerely,



Suzanne T. Ortega
President

Cc:

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Raúl M. Grijalva, AZ
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Marcia L. Fudge, OH

⁹ 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.

¹⁰ 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>.

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