



February 15, 2019

The Honorable Doug Jones  
United States Senator  
Washington, DC 20510

The Honorable Kamala D. Harris  
United States Senator  
Washington, DC 20510

The Honorable Elizabeth Warren  
United States Senator  
Washington, DC 20510

The Honorable Catherine Cortez Masto  
United States Senator  
Washington, DC 20510

Dear Senators,

Thank you for the opportunity to share our expertise, insights, and proposals for empowering students of color and supporting their postsecondary success. Higher Learning Advocates works toward a high-quality system of higher learning that equitably addresses the diverse needs of today's students throughout their life by shifting federal policy to accelerate responsiveness to support the success of today's students. We support federal policies that enable transparent pathways to success, incentivize innovation, protect students and taxpayers, and improve outcomes.

No longer do today's postsecondary students meet the mold envisioned by the authors of the Higher Education Act. Today's students are more likely to be returning students, parents, and working adults. They attend postsecondary education online and in the classroom, study throughout the calendar year, and weave together a patchwork of educational skills and credentials. And, they are more diverse in age, race, and ethnicity than ever before. Today's students are looking for valuable outcomes, including employment and pathways to further education.

Today's students, and in particular today's students of color, often face significant challenges accessing and affording postsecondary education, and we are encouraged you and your colleagues are focused on finding policy solutions in this area. The next reauthorization of the Higher Education Act presents the opportunity to address racial disparities in higher education and the broader challenges faced by students of color in workforce and economic preparedness.

## **Reform student aid**

Students of color disproportionately take out more federal student loans than their white peers. Further, roughly 60 percent of the 7.3 million Pell Grant recipients are students of color.<sup>1</sup> In 2015, about 56 percent of Hispanic students and 54 percent of Black students received Federal Pell Grant Program student aid in the United States.<sup>2</sup> Students of color need a federal student aid system with fewer barriers and that is adjusted for the realities they face.

### *Federal Work Study*

Federal Work Study too often doesn't allow a student to gain in-depth experience in their future career and is disconnected from students' studies. By better targeting funds and connecting students' work student experience with their program of study, this critical program could be more well suited to ensuring that students are not only able to afford their education, but that they are gaining valuable work experience.

We recommend three reforms that better targets federal work study to students in need, and connects work with educational and career aspirations. First, the formula that allocates federal work study funds should be reevaluated to ensure that funds are provided to institutions which have the most in need students or the ability to provide high quality work study opportunities. Second, Job Location Development Programs should be expanded so federal work study is better connected to the student's course-of-study as well as employment options post-graduation. Last, the program should be reformed to ensure that greater opportunities exist for off-campus work tied to students' actual area of study.

### *Simplify the Student Aid Application Process*

Today's students of color are often the first in their family to apply to college,<sup>3</sup> but the federal financial aid application can be confusing and intimidating and can deter students of color from completing the FAFSA and enrolling in an institution of higher education. Research shows us that far too many students don't start or finish the FAFSA, leaving millions of federal student aid dollars on the table.<sup>4</sup> Additionally, student-facing materials and the application process itself can further confuse and frustrate students' ability to best access critical grant and loan funding for higher education.

We recommend reforms to ensure our students, especially students of color, do not face barriers to FAFSA completion and that they have the information to make important decisions about where to attend college. First, the FAFSA, and the underlying financial aid need-analysis formula, should be simplified. Second, financial aid information must be presented to students in an easy-to-understand format—such as a standardized award letter. And third, the Department of Education should use technological advances to be sure that verification processes do not present a barrier to enrollment.

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[https://www.washingtonpost.com/news/grade-point/wp/2018/06/05/the-power-of-information-more-data-on-pell-grants-could-help-bridge-the-graduation-gap/?utm\\_term=.f5b4101450f2](https://www.washingtonpost.com/news/grade-point/wp/2018/06/05/the-power-of-information-more-data-on-pell-grants-could-help-bridge-the-graduation-gap/?utm_term=.f5b4101450f2)

<sup>2</sup> <https://www.statista.com/statistics/708249/students-receiving-pell-grants-by-race-us/>

<sup>3</sup> <https://nces.ed.gov/pubs2018/2018009.pdf>

<sup>4</sup> <http://www.collegeaccess.org/BlogItem?dg=9caef826-6844-46bc-849b-c417673a8de8>

### *Allow for a Pell Lifetime Eligibility Usage (LEU) Reset for Adult Students*

Federal law limits the amount of Pell Grant funds students can receive over their lifetime—also known as your Pell Lifetime Eligibility Usage (LEU)—equal to the equivalent of six academic years (12 semesters) of Pell Grant funding.

Today's students are more diverse in age, race, and income than students of the past, and have different experiences and financial realities. For some of today's students, the credits, credential or degree they earned within the time allotted by the Pell LEU rules does not hold enough value in the workforce or may have lost its value. Many of these students need to obtain new credentials, very often without the ability to access Pell, in order to gain new skills or retrain for a new industry if their previous job has been displaced.

In today's workforce, lifelong learning and periodic upskilling has become the norm, as many adults will have to change jobs as many as seven times over a lifetime.<sup>5</sup> To strengthen lifelong learning as a tool for promoting workforce participation, Pell LEU should be reset for students who have reached the maximum amount of Pell Grants, already hold a degree or credential, and have been employed in the workforce for the majority of the past ten years.

### **Employ outcomes-based oversight**

As you note in your letter, completion alone does not insulate students from the impacts of loan debt. Today's students deserve a postsecondary system that produces outcomes that matter to them, and they should expect that completion from a program or institution that accepts their federal financial aid will leave them better off after leaving school than when entering, and lead to earnings that are appropriate for their field and level of experience.<sup>6</sup>

### *Program-Level Cohort Repayment Rates (CRR)*

Accountability in postsecondary education can be a powerful gatekeeping mechanism tool to better ensure that students are safeguarded from using federal student aid at the worst performing institutions and it can prevent students from ending up with undesirable outcomes. Because students of color disproportionately enroll in institutions with poorer outcomes,<sup>7</sup> ensuring that the Higher Education Act includes an accountability component that incentivizes student outcomes, like employment, earnings, and value, for students of color, as well as all students, is critical.

Congress should consider the use of a cohort repayment rate (CRR) as a more accurate metric of post-completion student value. Further, program-level cohort repayment rates should be used as an accountability metric to determine a program's eligibility to participate in Title IV federal student aid. A cohort repayment rate (CRR) should be defined as the percentage of borrowers in a three-year cohort who are not in default and who have reduced the principal balance on their loan by at least one dollar. A CRR should include completers, non-completers, and those in income-driven repayment (IDR) programs.

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<sup>5</sup> <https://www.wsj.com/articles/SB10001424052748704206804575468162805877990>

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[https://ejm0i2f973k8c9d2n34685-wpengine.netdna-ssl.com/wp-content/uploads/2018/12/Gatekeeping-and-Continuous-Improvement\\_v.F.pdf](https://ejm0i2f973k8c9d2n34685-wpengine.netdna-ssl.com/wp-content/uploads/2018/12/Gatekeeping-and-Continuous-Improvement_v.F.pdf)

<sup>7</sup> <https://www.chronicle.com/article/Nearly-Half-of-Undergraduates/245692>

In addition to an accountability tool, program-level CRRs could be a critical information tool to allow students and other stakeholders to assess the relative value of a program. Recognizing that economic returns on programs vary, institutions should disclose program-level CRRs for three, seven, and ten years post-completion or drop-out. Further, and essential for students of color, program-level CRRs should be disaggregated for disclosure purposes by major racial and ethnic groups, income, and Pell status.

Transitioning to a focus on cohort repayment rates that produces disaggregated data based on race would ensure that students of color are enrolled in programs that do not leave them worse off than when they began. Institutions with less than desirable student outcomes should not be eligible to receive Title IV funding, and programs that do not enable most of its students to successfully repay their debts are not serving the best interest of students.

### *Accreditation Reform*

Policymakers should improve the accreditation system to make higher education more equitable for all of today's students. As the ultimate gatekeeper, and those in charge of ensuring continuous improvement, accreditors play a critical role in ensuring that institutions of higher education are supporting the success of all of their students, particularly those who have traditionally been underrepresented in higher education, including low-income students and students of color. Current federal policies ask accreditors to focus excessively on monotonous check-lists and compliance, in addition to examining issues outside of their expertise, such as complicated financial transactions.

Instead, accreditors' core focus should be on assessing the quality and pace of student learning and outcomes. While accreditors do examine these issues as a part of their review, they also discuss the results and make accreditation decisions behind closed doors, without full transparency for students and other stakeholders. Higher Learning Advocates believes accreditors should turn their focus to four specific student outcomes: student learning, annual loan default rates, loan repayment rates, and graduation rates; should be encouraged to use risk-based reviews of institutions; and should make critical information public and work with institutions to notify students when there has been a change in the accreditation status of the institution students are attending.

### **Enable better Information for Students and Stakeholders**

Assessing quality must begin with a more sophisticated approach to using data on student outcomes to increase transparency in the higher education system. There is no better form of quality assurance than a prospective college student learning about the outcomes they can expect from a particular program and making the decision to choose the program that best suits their goals and financial circumstances.

Information must be more transparent for today's students, especially students of color, to ensure that students are receiving the right type of high-quality postsecondary education that works best for them. Additionally, in order for policymakers to better assess the quality of institutions and programs, the postsecondary data systems must be improved. Existing databases and reports are incomplete, and reporting methods antiquated and consumer tools inadequate. These systems need to be updated to better serve students of color and all of today's students.

### *Student-Level Data Network*

Stronger data systems—like a student-level data network—can equip students and citizens with a powerful quality check of their own; when the public has higher-quality information on the return on investment each college or program has to offer, they can make smarter choices about where to invest limited resources. When important student outcomes are measured, institutions are in-turn properly motivated to improve and adapt programming to better serve students.

Federal policy should support complete and student-level data systems, so institutions, policymakers, and others can measure the equity of outcomes, support transparency, and use those data to improve student outcomes. A robust and accurate student-level data network would assist students of color with ensuring that they are enrolling at an institution of higher education that has strong student outcomes and will reduce the likelihood of students of color enrolling in predatory, low-quality programs.

### **Support Student Parents**

Child care is a necessity for our nation's 4.8 million student parents.<sup>8</sup> But child care costs are high and student parents are already juggling multiple responsibilities that may prevent them from completing their degree or credential. About 40 percent of women at two-year colleges say they are likely or very likely to drop out of school due to their dependent care obligations.<sup>9</sup> Women of color comprise a significant portion of student parents: 47 percent of Black women, 41 percent of American Indian/Alaska Native women, 39 percent of Native Hawaiian/Pacific Islander women, and 32 percent of Hispanic or Latina students are parents.<sup>10</sup>

Many student parents take out federal student loans to help pay for child care expenses, and the costs associated with care for dependent children can strain family budgets and have impacts on student success. Policymakers should consider enhancing child care support services to better serve today's students.

### *Continue to Expand Funding for the Child Care Access Means Parents in School Program (CCAMPIS)*

By providing support for student parents through funding for campus-based child care programs primarily serving low-income students, CCAMPIS enables student parents to focus more time on their postsecondary education and work toward degree completion. At the University of Wisconsin-Madison, 85 percent of the student parents who participated in CCAMPIS between 2005-2011 graduated, compared to 15 percent for all student parents.<sup>11</sup>

In order to provide child care support to only two percent of Pell-eligible student parents with children ages 0-5, CCAMPIS funding would need to reach \$150 million annually.<sup>12</sup> In 2001, funding for CCAMPIS peaked at \$25 million but declined significantly in 2003 to \$16 million where it remained relatively stable until FY 2017.<sup>13</sup> In the FY 2018 budget, CCAMPIS funding

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<sup>8</sup> [https://iwpr.org/wp-content/uploads/wpallimport/files/iwpr-export/publications/C425\\_Child%20Care%20\\_Final.pdf](https://iwpr.org/wp-content/uploads/wpallimport/files/iwpr-export/publications/C425_Child%20Care%20_Final.pdf)

<sup>9</sup> <https://iwpr.org/publications/single-mothers-college-growing-enrollment-financial-challenges-benefits-attainment/>

<sup>10</sup> <https://iwpr.org/publications/independent-students-new-college-majority/>

<sup>11</sup> <https://www.nasfaa.org/uploads/documents/LHHSCCAMPISLetterfinal.pdf>

<sup>12</sup> <https://www.insidehighered.com/news/2018/04/06/congress-puts-more-focus-student-parents-new-funding>

<sup>13</sup> <https://www2.ed.gov/programs/campisp/funding.html>

increased 230 percent to \$50 million. CCAMPIS funding must continue to increase to best serve today's student parents.

### *Continue to Fund the Child Care and Development Block Grant (CCDBG) to Support Student Parents*

Low-income parents, including student parents, benefit from the CCDBG and its Child Care Development Fund (CCDF). CCDBG and CCDF are essential efforts contributing to helping low-income families and student parents achieve academic and workforce success by providing them with low-cost and easy-to-access child care. Unfortunately, a large share of eligible children from low-income families do not receive child care assistance, and the number of children served by CCDBG continues to decline.

We recommend continuing to invest in CCDBG and CCDF in order to ensure low-income parents, including student parents and individuals from underserved populations, are able to access and complete postsecondary education.

### *Enhance the Child and Dependent Care Tax Credit to Allow Adults to Further their Education*

The Child and Dependent Care Tax Credit is a nonrefundable tax credit available to offset employment-related expenses of a taxpayer for the care of a qualifying dependent. In practice, this means individuals with children or other qualifying dependents can claim the credit for expenses such as daycare or household costs they incur to care for their dependents while working.

We recommend that the Child and Dependent Care Tax Credit should be enhanced to extend the same tax benefits to individuals who care for a qualifying dependent and are enrolled in postsecondary education. This change would help students with dependent children afford the high cost of child care, which is almost as much as public college tuition in many parts of the United States, so they can further and complete their education.

### **Address Food Insecurity for College Students**

About 56 percent of community college students<sup>14</sup> and 11 percent of students at four-year institutions<sup>15</sup> experience low or very low food security. The Supplemental Nutrition Assistance Program (SNAP) offers nutrition assistance to eligible low-income individuals and families; however, many students struggle to access these benefits. Eighteen percent of students are eligible for SNAP, yet only 3 percent of students actually receive benefits.<sup>16</sup> According to some studies, about 56 percent of students experiencing food insecurity are first-generation students and 57 percent of African American students experience food insecurity, compared to 40 percent of white students.<sup>17</sup>

We recommend you consider expanding and streamlining SNAP benefits for students enrolled in postsecondary institutions in order to reduce food insecurity. In addition, policymakers should consider creating a more seamless connection between FAFSA and SNAP. If a student's EFC on the FAFSA is zero, then the student should be notified that they may be eligible for SNAP benefits and provided information about enrolling in the SNAP program. Many of today's

<sup>14</sup> [http://younginvincibles.org/wp-content/uploads/2018/02/Rethinking\\_SNAP\\_benefits.pdf](http://younginvincibles.org/wp-content/uploads/2018/02/Rethinking_SNAP_benefits.pdf)

<sup>15</sup> [http://younginvincibles.org/wp-content/uploads/2018/02/Rethinking\\_SNAP\\_benefits.pdf](http://younginvincibles.org/wp-content/uploads/2018/02/Rethinking_SNAP_benefits.pdf)

<sup>16</sup> [http://younginvincibles.org/wp-content/uploads/2018/02/Rethinking\\_SNAP\\_benefits.pdf](http://younginvincibles.org/wp-content/uploads/2018/02/Rethinking_SNAP_benefits.pdf)

<sup>17</sup> <https://www.clasp.org/press-room/news-clips/food-insecurity-college-campuses>

students balance work, parenting, and their education, and food insecurity should not be an additional barrier to completing a degree or credential.

**Conclusion**

Thank you for the opportunity to share our thoughts on how to address racial disparities in student debt and the broader challenges students of color face in college and career training. We believe there is a critical opportunity to help our system of postsecondary education fill these gaps and reach a wider range of students, and we look forward to working with you and your colleagues as you consider critical policy proposals designed to increase affordability, improve outcomes, enhance quality, and better serve the needs of today's students.

We would be happy to talk further with you and your staff as you consider these and other proposals. You can contact Emily Bouck West ([ebouckwest@higherlearningadvocates.org](mailto:ebouckwest@higherlearningadvocates.org)) or India Heckstall ([iheckstall@higherlearningadvocates.org](mailto:iheckstall@higherlearningadvocates.org)) with any questions or for further information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Julie', with a long horizontal flourish extending to the right.

Julie Peller  
Executive Director