

## ISSUE SUMMARY:

**#DoublePell: A Proven Investment**

No program authorized under the Higher Education Act of 1965 has had the success nor the impact as the federal Pell Grant. A proven program that has been the foundation of federal student aid for decades, the Pell Grant opens the doors of higher education and opportunity to low- and moderate-income students with a maximum annual award of \$7,395.<sup>1</sup> Since 1972, more than 216 million students have received a Pell Grant.<sup>2 3</sup>

**#DOUBLEPELL**

**AASCU joins fellow members of the Double Pell Alliance in calling on Congress to strengthen this proven investment and double the maximum Pell Grant award to \$13,000 by 2029.**

**Targeted and Means Tested**

From its inception over 50 years ago, the Pell Grant Program has always been a targeted and means-tested federal benefit based primarily on a student's expected family contribution and the cost of attendance. Doubling the maximum Pell Grant to \$13,000 represents a sustainable and long-term investment toward increasing postsecondary access and affordability for current and future students with the greatest financial need. The family income of the 6.4 million 2020–21 recipients were as follows:

**6.1 million**

In the 2021–2022 school year, 6.1 million students from all 50 states and the territories were aided in their attainment of a higher education, according to the U.S. Department of Education.<sup>3</sup>

**47%**

Percentage of Pell Grant awards that went to students whose families earn less than \$20,000 annually—half that number had income less than \$9,000.<sup>4</sup>

**40%**

Percentage of Pell Grant recipients that came from families whose annual income fell between \$20,001 and \$50,000.<sup>4</sup>

**93%**

Percentage of Pell Grant recipients that came from families that earn \$60,000 or less.<sup>4</sup>

## Reduces Debt, Fights Inflation

The cost of college tuition and its corresponding debt are widely known as the largest barriers to economic mobility and wealth generation for young Americans. While AASCU institutions strive to be good stewards of taxpayer monies, a drop-off in state/local investment coupled with increased operating costs and decades-old infrastructure maintenance have required tuition increases. Doubling the maximum Pell Grant would return some of the Pell Grant's purchasing power while decreasing student need for burdensome loans, a win for both taxpayers and students.

### 16% increase

Since 1995, overall Pell Grant recipient borrowing has increased 16% to cover unmet financial needs, culminating in an average loan amount of \$6,930 in 2015 for public four-year Pell recipients (13% increase).<sup>5</sup>

### 24% affordable

For the average 2019 Pell recipient, only 24% of public four-year institutions were affordable at the present award amount.<sup>6</sup>

### 50% tuition, r&b

If Congress were to #DOUBLEPELL, it is estimated a maximum Pell Grant would pay for over half of 2029 tuition and room and board (r&b) at a public four-year institution.<sup>7</sup>

### 47% drop

At its peak in 1975, the maximum Pell Grant covered 79% of tuition and room and board for a public four-year institution; in FY23, a maximum award only covers 32% of costs.<sup>7</sup>

## Provider of Opportunity

The Pell Grant is especially critical to those Americans who make up the "new majority" of college students: low income, first-generation, persons of color, working adults and/or veterans. For these students, receipt of a Pell Grant double its current value can make the difference between an affordable opportunity and carrying debt when attempting to access a postsecondary education.<sup>5</sup>

- Nearly 60% of Black students and roughly half of American Indian/Alaska Native and Hispanic students receive a Pell Grant each year.
- Attainment of a college education is possible for half of first-generation college students and 52% of student parents because of Pell Grants.
- Almost 40% of student veterans are Pell Grant recipients.

1. Ma, J., & Pender, M. (2022, October). [Trends in College Pricing and Student Aid 2022](#). Trends in College Pricing 2022–All Access | College Board.
2. U.S. Department of Education. (2020, July 7). [Federal Pell Grant Program End-of-Year Report and Other Annual Data Reports](#). Federal Pell Grant Program Annual Data Reports.
3. U.S. Department of Education. (n.d.). [Title IV Program Volume Reports: Grant Programs](#). Federal Student Aid. Retrieved March 8, 2023
4. U.S. Department of Education. (n.d.). [Title IV Program Volume Reports: Award Year Summaries: Pell End-of-Year Reports: Table 002](#). Federal Student Aid.
5. U.S. Department of Education. (2018, January). [2015–16 National Postsecondary Student Aid Study \(NPSAS:16\)](#). National Center for Education Statistics: Institute of Education Sciences. Retrieved March 7, 2023.
6. National College Attainment Network. (2022, October 5). [The Growing Gap: Public Higher Education's Declining Affordability for Pell Grant Recipients](#). College Affordability. Retrieved March 7, 2023.
7. National College Attainment Network. (2022, October 5). [#DoublePell for College Affordability](#). Double Pell. Retrieved March 9, 2023.