



Enhancing College Opportunities

Information for Commencement Addresses 2004

Committee on Education & the Workforce
Democratic Caucus
Honorable George Miller, Senior Member

April 1, 2004

Dear Colleague:

In the upcoming months, millions of students will graduate from high schools and colleges across the nation, taking an important first step in creating opportunities towards a better life. Graduates will pursue advanced degrees, enter the workforce, or aid their country through service in the military or national service programs such as AmeriCorps.

As the graduating class of 2004 embarks upon their new pursuits, Congress is preparing to reauthorize the Higher Education Act. This reauthorization has the potential not only to impact millions of Americans, but also to shape the landscape of higher education for years to come.

Many of us will be speaking at high school and college commencement ceremonies in the upcoming weeks, the enclosed talking points provide information that I hope you will find useful in preparing your remarks.

Sincerely,

George Miller
Senior Democratic Member
Committee on Education & the Workforce

" [The Higher Education Act of 1965] means that a high school senior anywhere in this great land of ours can apply to any college or any university in any of the 50 states and not be turned away because his family is poor. "

President Lyndon B. Johnson
1965

Overview

America was built upon the foundation of promise and limitless opportunities. For more than 200 years, countless immigrants have come to America from all corners of the globe, in search of a better life and the goal of realizing their dreams through hard work and investment.

Education is an essential ingredient towards realizing a better life and a key Democratic value. As Thomas Jefferson said, *"Education is here placed among the articles of public care...which contribute to the improvement of the country, and some of them to its preservation."*

Today, education—and higher education in particular—is more important than ever to solving the most pressing problems of our communities and the country. Access to an affordable, quality education is inseparable from our economic prosperity, national security, and civic health. In a world where other nations are investing far more of their resources in education and research, and are producing graduates who rival our own in many areas of manufacturing and development a high quality education is essential to our future success.

A college education is one of the best investments for an individual as well. The typical college graduate earns 80 percent more than a high school graduate—or \$1,000,000 over a lifetime—in the workforce.

Yet millions are losing their opportunity for higher education because of inadequate preparation or financial hardship. Lowering the current 32 percent college participation rate gap between low- and high-income young adults could add \$250 billion to our gross domestic product and \$85 billion in tax revenues to strengthening our economy and improving the quality of life for American families.

In addition, a higher education is more than just the means to achieve higher earning potential or to raise revenue; it is also a life-enriching experience. A key component of the university mission is to foster the academic and personal development of students: civic engagement and community service, where students learn how to be active participants in democracy, as well as team athletics and student government, where students gain valuable leadership experience.

A recent poll by the National Center for Public Policy and Higher Education and Public Agenda found that more than three-quarters of all Americans believe that getting a college education today is more important than it was 10 years ago. More than 90 percent of the poll's respondents agreed that financial barriers should not prevent college qualified students from attaining a degree. In addition, 76 percent of those polled believed that students have to borrow too much to pay for their college education.

The policies that we craft to enhance and advance education must close the achievement gap between the rich and the poor, and minority and non-minority students. They must help to recruit and retain top young college graduates into teaching, nursing, and other high priority fields to meet the country's needs. Our policies must also make a quality college education accessible and affordable for all Americans, and harness the power of higher education to move this country forward.

The upcoming reauthorization of the Higher Education Act provides us with an opportunity to achieve these important national goals by crafting policies that will help millions of students, both in secondary schools and institutions of higher education, to realize their dreams.

Key Issues Affecting Higher Education

Affordable College Education

► Rising College Tuition



College tuition has risen dramatically, jeopardizing low and middle-income students' access to a college diploma. A key reason for the jump in tuition is that state support for higher education—which has been declining for decades—has dropped sharply over the past three years, as states slashed higher education budgets to help close their cumulative budget shortfall of nearly \$200 billion.

The weak economy, regressive tax cuts for the wealthy, and federal budget cuts have devastated state budgets, pushing higher prices onto college students, more than three-quarters of whom attend public colleges and universities.

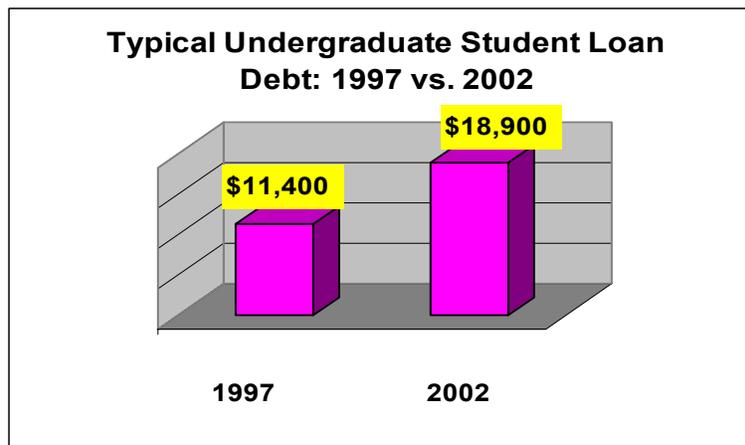
In the past year alone, tuition has increased an average of 14.1 % at 4-year public institutions, 13.8% at 2-year public institutions, and 6% at 4-year private schools.

In addition, the National Center for Public Policy and Higher Education estimates that in the fall of 2003, at least 250,000 prospective students were shut out of higher education due to rising tuition or cutbacks in admissions and course offerings.

Not only has President Bush failed to stop tuition hikes, but he has frozen or cut the maximum Pell Grant for three years in a row.

► Sky-rocketing Student Loan Debt

The decline in the purchasing power of federal and state grants, and massive state budget cuts which have triggered tuition hikes continue to strain our ability to ensure access to a college education for all Americans.



Source: Nellie Mae, *National Student Loan Survey*, 2002

As a result, increasing numbers of students and their families are falling further into debt to finance a college education.

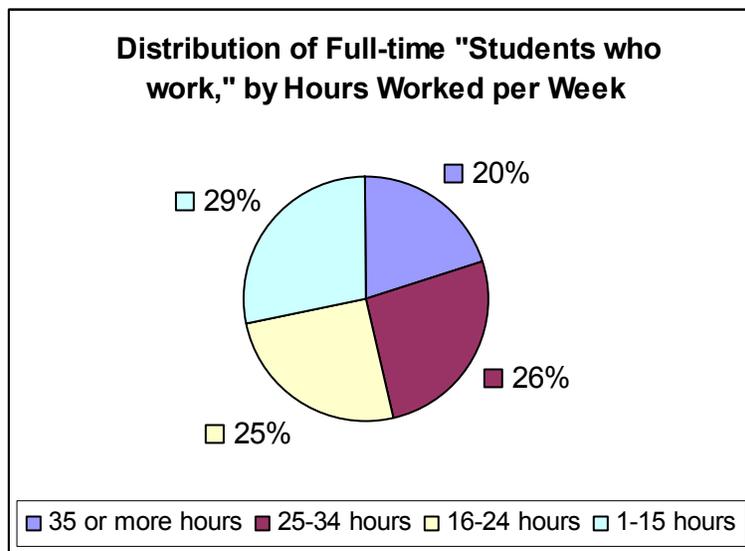
- According to Nellie Mae, the average undergraduate student loan debt has more than doubled within the last 5 years from \$11,400 to \$18,900.
- Almost 40 percent of all student borrowers graduate with unmanageable debt levels.

- Today, 70 percent of federal student aid is made in loans; grants account for only 22 percent. Thirty years ago, student loans accounted for about 25 percent and grants about 70 percent of all federal student aid.

► **Long Work Hours**

More and more students are working long hours to help finance their college education.

- Seventy-five percent of full-time students now work to help cover their college expenses.
- Almost half of all full-time students who work are working enough hours to hurt their academic performance and the overall quality of their education.
- Twenty percent of working students work 35 or more hours a week while enrolled in school full-time.



Source: State PIRGs' Higher Education Project, *At What Cost?*, 2002

► **Declining Buying Power of Grants**

For the 4th year in a row, President Bush has broken his promise to provide a \$5,100 maximum Pell Grant to all college freshman. Bush's failure comes just as:

- Last year, the maximum Pell Grant award was worth \$500 less (after adjusting for inflation) than the maximum grant in 1975-76.

Increasing High School and College Enrollments

The generation often referred to as the “baby boom echo” generation flooded the nation’s public elementary schools during the 1990s. Soon they will enter American institutions of higher education, resulting in record enrollments that will further strain the ability of colleges and universities to deliver a quality education to their students.



- The graduating high school class of 2008 will reach a record high of 3.2 million, or 26 percent more than the class of 1996.
- College enrollment is expected to expand by 14 percent, to more than 15 million students, over the next decade.
- Of that expected 14 percent increase, 4 out of 5 of these students will be low-income, minority, or the first in their family to attend college. In addition, 20 percent of these students will come from families living below the poverty line.

Our current student aid programs will not be able to meet the growing needs of the expanding college population. Today, the typical low-income student already falls \$3,800 short of college costs even after their family contribution, student loans, grants, and work have been accounted for. The typical middle-income student falls \$2,250 short.

Higher Education as a Vehicle to Address National Priorities

America’s higher education system has long served as a vehicle to achieve economic prosperity, national security, and an educated citizenry. From our beginnings, when public education served as the means to equalize our society, to the Land-Grant College Act of 1862, the G.I. Bill, and the National Defense Act of 1958—which launched many of our federal student aid programs—we have increased access to higher education as a tool to move this country forward.

Today, more than ever before, we must tap into the ability of higher education to help meet our national economic, security, and civic needs.

We currently face shortages of highly skilled workers in public service sectors such as teaching, nursing, first responders and child welfare, which threaten the well being of the nation.

- Over the next 10 years the nation will need an additional 2 million teachers.
- There is a national shortage of 126,000 nurses; nursing school graduates have decreased by 29 percent between 1995 and 2001.
- Currently, two-thirds of the nation's fire departments are under staffed.



In addition, the landscape of the U.S. workforce has changed dramatically over the past few decades, and the demand for highly skilled workers with a college degree or advanced training is rising sharply.

- In the next 5 years there will be a 22 percent increase in the number of jobs that require at least some college.
- By 2020, 15 million new jobs that require college educated and highly skilled workers will be created.
- There will be a deficit of 12 million college-educated workers during the same time period, leading to a flight of jobs overseas to countries that are producing increasing numbers of highly trained professionals.

Meeting the Needs of Changing Postsecondary Student Demographics

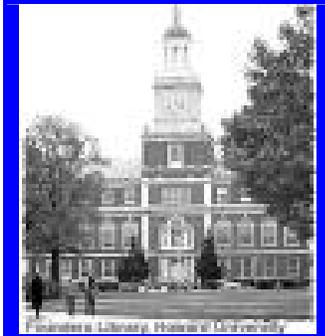
The traditional college student is no longer someone who is 18 year old, attending school full-time, financially dependent on his parents, and only working part-time. Today, more than half of all college students work part-time or full-time to pay their own way through college, have dependent children and other responsibilities.

We can make sure that these students have the resources that they need to succeed by providing:

- Financial aid relief for students who work to cover college costs.
- Adequate child care services for students with children.
- Flexible programs that meet the needs of working adults who are juggling work, school, parenting, and other responsibilities.

Diversity in our schools

America has benefited tremendously from its unique diversity, particularly in its public schools and institutions of higher education. Diversity of race, gender, ethnicity, income-level, religion, political outlook, and various other identifiers have been shown to enhance the learning environment. Diversity is also an essential tenant of the university mission—preparing students to become active participants in a democratic society.



Studies have shown that postsecondary diversity benefits a student's academic development, satisfaction with college, commitment to multiculturalism, racial understanding; and, that it increases the retention of minorities.

Despite their critical importance, Historically Black Colleges and Universities (HBCUs), Hispanic Serving Institutions (HSIs), and other minority serving institutions must overcome a lack of resources.

HBCUs comprise 4 percent of all 4-year colleges and universities, and they confer about 25 percent of all bachelors degrees earned by African-Americans. Yet, HBCU faculty salaries are roughly 20% lower than the national average and HBCU per-pupil expenditures are roughly 10% lower than the national average.



HSIs serve nearly half of all Hispanic college students, and today Hispanics now account for 1 out of every 3 new workers who enter the workforce. By 2025, Hispanics will account for 1 out of every 2 new workers. Yet, President Bush's 2005 education budget provides only a 2 percent funding increase for HSIs.

Excellence in Higher Education Begins with Excellence in our Elementary and Secondary Schools

In order to achieve full access for all Americans to a college education, we must first make sure that our elementary and secondary schools are on track to allow each and every child to meet their full potential. The reforms of the No Child Left Behind Act (NCLB) are launching an unprecedented effort to reverse decades of neglect of our poorest and neediest school children. NCLB provides equal footing for all students

and ultimately ensures that all Americans, regardless of income, have an opportunity to get a high quality public education.

These reforms are designed to: close the achievement gap between the rich and the poor; provide struggling schools with the assistance that they need to improve; enhance teacher quality; target resources to at-risk and disadvantaged youth; and, provide schools with the flexibility that they need to meet their local needs.

Unfortunately, President Bush is failing to live up to his promise to leave no child behind by shortchanging education reform in his fiscal year 2005 budget.

Table: NCLB Funding FY 2002—2005

| | FY 2002 | FY 2003 | FY 2004 | FY 2005 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| NCLB Authorized Level¹ | \$26.4 billion | \$29.2 billion | \$32 billion | \$34.3 billion |
| FYs 02, 03 and 04 Enacted Appropriations and FY 05 Bush Request | \$22.2 billion | \$23.8 billion | \$24.5 billion | \$24.9 billion |
| NCLB shortfall | -\$4.2 billion | -\$5.4 billion | -\$7.5 billion | -\$9.4 billion |

¹ Totals assume continuation of programs without authorization levels defined in NCLB at FY 2002 levels.

The 2005 Bush budget shortchanges education reform by:

- Failing to fully fund No Child Left Behind (NCLB) by a total of nearly \$27 billion since the law was enacted.
- Denying nearly 1.4 million children access to after school learning programs. President Bush breaks his promise to provide full funding of \$2 billion in fiscal year 2005 for the 21st Century Learning Centers Initiative—which provides safe, healthy places for children to learn after school.
- Freezing teacher quality funding at \$2.93 billion for the third straight year in a row. As a result of these freezes, 325,000 more students will be taught by teachers who are not highly qualified.
- Denying critical education services, such as extra help in reading and math, to 5 million disadvantaged children. President Bush provides only two-thirds of

¹ Totals assume continuation of programs without authorization levels defined in NCLB at FY 2002 levels.

the nearly \$21 billion that he promised for disadvantaged children in Title I funds under No Child Left Behind (NCLB).

- Freezing bilingual education for the third year in a row at \$681 million, despite the fact that the number of students with limited English proficiency is growing rapidly.
- Cutting nearly 25 percent, or \$316 million, from vocational education programs and freezing funding for adult education.
- Jeopardizing the existence of Head Start. President Bush once again proposed an 8 state block grant program that will dismantle Head Start and divert \$45 million from the program.



Our school principals and teachers have been working hard to implement NCLB. Yet President Bush has failed to both provide adequate funding for NCLB and to ensure its proper implementation. As a result, there is now a \$27 billion cumulative shortfall in the funding levels promised under NCLB.

In addition, the Department of Education has taken more than 2 years to issue many of the key rules and regulations that schools need to implement the Act's accountability and teacher quality provisions. To make matters worse, now the Department is denying schools the ability to exercise flexibility under the regulations to determine whether they have made sufficient academic progress.

We must continue to demand full funding for NCLB so that all schools can implement the important reforms of NCLB and provide a quality education to all of the nation's children.

President Bush's Failure to Prioritize Higher Education

In addition to shortchanging elementary and secondary education, President Bush's 2005 education budget undermines years of progress made towards an affordable and accessible college education for all Americans by:

- Breaking his promise to increase the maximum Pell Grant award to \$5,100 for college freshman, for 4 straight years, and instead he has frozen or cut the maximum Pell Grant at \$4,050, for the 3rd year in a row.
- Failing to stop soaring tuition at colleges and universities.

- Increasing taxes on students—making college loans *more* expensive. The Bush budget forces a tax on student loans that would charge students an additional \$3.8 billion dollars over the next ten years.
- Eliminating the state college scholarships program, which puts \$1 billion of non-federal student aid—leveraged by federal funds—at risk. President Bush eliminates the Leveraging Educational Assistance Partnerships (LEAP) initiative, which leverages state dollars for need-based grant aid with a federal match of \$1 for every \$2 that a state spends.
- Cutting programs that boost college opportunities for veterans and others. President Bush freezes GEAR UP and TRIO funding—programs that boost opportunities for veterans, disadvantaged, and first generation college students to earn a college degree.
- Providing small increases for Historically Black Colleges and Universities (HBCUs) and Hispanic Serving Institutions (HSIs) despite their escalating needs for increased infrastructure, student support services, and technology.
- Putting the funds that make it possible for nearly 8 million students to apply for federal student aid, and to receive grants and loans at risk by forcing these funds to compete against Pell Grants and other education priorities for funding under Bush’s budget.
- Eliminating Pell Grants for 84,000 students. In 2003, the Bush Administration made revisions to the information used to determine financial aid eligibility that would have eliminated Pell Grants for 84,000 students, and reduced college aid to thousands more students. A Democratic amendment to the 2004 Education Appropriations bill reversed the Bush cuts, restoring Pell Grants and key college aid to students.
- Cutting \$316 million, or nearly 25 percent, from vocational education and community colleges for the 2nd year in a row. In addition, President Bush has proposed more than \$1.5 billion in cuts for job training and vocational education programs since he took office.

Enhancing College Opportunities



Unfortunately, today not all Americans are afforded equal opportunities towards making a better life, especially when it comes to a college education. Each year millions of hardworking American families and students continue to struggle to cover college costs, even after scholarships, loans and work-study.

We cannot afford to leave any students behind. That is why it is imperative to support initiatives and solutions that boost college opportunities for all Americans.

College tuitions are skyrocketing, colleges—especially community colleges—are eliminating classes and access, and states are cutting higher education spending.

Solution:

- Slowing tuition hikes and encouraging states to maintain their commitment to higher education;
- Incentives to encourage states and schools to provide affordable tuition; and,
- Requiring states and schools to implement cost containment strategies.

Millions of student borrowers are taking on high debt levels that discourage college attendance, and encourage defaults, which cost taxpayers billions of dollars.

Solution:

- Ending the more than \$500 *Unfair Student Loan Tax* (origination fee);
- Allowing working students to save more of their earnings to cover college-related costs;
- Permitting student borrowers to choose with which lender to consolidate their loans, repealing the anti-consumer Single Lender Rule; and,
- Providing public service scholarships of up to \$17,500 in loan forgiveness for highly qualified graduates who enter teaching, nursing, child welfare, and other high priority public service careers.

Student aid is falling further and further behind the cost of a higher education.

Solution:

- Doubling the maximum Pell Grant award and making Pell grants available year round;
- Increasing investment in outreach programs TRIO and GEARUP, to address the growing needs of low-income and first generation college students;

- Drastically simplifying the student aid application process;
- Increasing Work-study funds, minimum TRIO grants, and investment in the federal-state partnership program (LEAP) that leverages non-federal student grant aid.

Millions of minority and first-generation students cannot afford to attend college, while the institutions that serve these students struggle to expand their infrastructure, student support services and academic programs.

Solution:

- Significantly increasing investment in Minority Serving Institutions;
- Expanding post-baccalaureate degree opportunities at Hispanic Serving Institutions;
- Establishing Centers of Excellence at Minority Serving Institutions to improve teacher quality and preparation; and,
- Increasing student aid and special support services, including year round housing, for foster care youth who are pursuing a higher education.

Conclusion

More than ever before, a quality education is integral to the success of Americans and the nation as a whole. As increasing number of students graduate from high school and pursue postsecondary education and training, we must make the necessary investment to deliver accessible, affordable and excellent education to all Americans.

Failure to invest in education and to enable all children to participate in higher education will undermine America's economic prosperity, national security, and our ability to compete in the ever-expanding global market.