

March 9, 2018

The Honorable Betty McCollum  
2256 Rayburn House Office Building  
Washington, D.C. 20515

Dear Representative McCollum:

Thank you, Representative McCollum, for providing this opportunity to share with you how the appropriation decisions made in Congress will impact Minnesota's nonprofit private colleges as well as the college students and families that they serve.

The Fourth Congressional District is home to six private colleges and universities, including Bethel University, Concordia University, Hamline University, Macalester College, St. Catherine University, and the University of St. Thomas. There are 29,400 students who attend private nonprofit colleges located in your district.

We greatly appreciate your work on the Appropriations Committee that has funded the federal investment in the student aid programs to help hard-working low-income students get into and graduate from college. Federal student aid programs provide a direct economic benefit to our communities and state. Making it possible for more students to attend college brings multiple benefits. Our colleges help to ensure our nation's economic stability by creating an educated, skilled workforce. And in the 4<sup>th</sup> Congressional District, our students and their families have an enormous impact on the local economy. There are more than 3,100 employees and 56,900 alumni of our colleges in the 4<sup>th</sup> Congressional District.

Our colleges partner with the federal government to provide student aid and make college more affordable. Nationally, sixty-seven percent of all grant aid awarded to students at four-year private, nonprofit colleges comes via scholarships and grants directly from institutional resources. Since the economic downturn, our institutions have redoubled their efforts to help low-income students. Last year, Minnesota's 17 private, nonprofit colleges in the Minnesota Private College Council provided over \$600 million in institutionally provided financial aid to our students. Thus, we are partners with the federal government in lowering the cost of college through investments in financial aid.

We are grateful that appropriators rejected the President's FY 2018 proposed budget cuts, and instead have proposed to fund and increase important student aid programs.

As you work on FY 2019 funding bills, we ask that you fund student aid at the levels requested by the Student Aid Alliance (a national coalition of more than 80 organizations and institutions), in the following manner:

Minnesota Private Colleges | Excellence within reach

Augsburg University  
Bethany Lutheran College  
Bethel University  
Carleton College  
College of Saint Benedict  
The College of St. Scholastica

Concordia College, Moorhead  
Concordia University, St. Paul  
Gustavus Adolphus College  
Hamline University  
Macalester College  
Minneapolis College of Art and Design

Saint John's University  
Saint Mary's University of Minnesota  
St. Catherine University  
St. Olaf College  
University of St. Thomas

445 Minnesota Street  
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## **Pell Grants**

**We ask the Appropriations Committee to bring the Pell Grant maximum to \$6,180.** The Pell Grant program is higher education's most powerful remedy to addressing poverty among people who are bettering themselves through education. In Minnesota, 124,400 students receive Pell Grants; 19,900 of those students are in the 4<sup>th</sup> Congressional District.

In America today, a person's chances of achieving permanent economic security for themselves and their families are slim without a postsecondary education. According to the Georgetown University Center for the Study of Education and the Workforce, of the 11.6 million jobs created nationwide since the Great Recession, 11.5 million have gone to people with more than a high school diploma. Education can increase a person's earning potential and lead to quality employment in the long-term.

Pell Grants are the foundation upon which all student financial aid is built. Thus, maintaining continued, stable funding for the Pell Grant program should be a central anti-poverty strategy. The Pell Grant Program has been enormously successful in assuring access to college for our nation's low-income undergraduates—assisting over 60 million students since its inception. The program's focus on college access for low-income students, and its role as the foundation on which other federal financial aid is built, must be maintained.

## **TRIO and GEAR-UP**

We are grateful that the House budget proposal increased TRIO and GEAR UP programs. In FY 2019, **we ask the Appropriations Committee to fund TRIO at \$1.07 billion and GEAR UP at \$375 million.** These critical federal outreach and student services programs are designed to identify and provide services for low-income individuals, first-generation college students, and individuals with disabilities to progress through the academic pipeline from middle school to post-baccalaureate programs. TRIO programs provide academic tutoring, personal counseling, mentoring, financial guidance, and other supports necessary for educational access and retention. GEAR-UP supports under-represented students in grade five through high school graduation by providing a blend of academic, motivational, and social programs tailored to the specific needs of local communities. Given Minnesota's racial and economic opportunities gap, these programs are critical to helping underrepresented Minnesota children thrive through college.

## **SEOG and Perkins Loans Programs**

**We ask the Appropriations Committee to fund the Supplemental Education Opportunity Grant (SEOG) program at \$779 million.** The program is an important means to help our lowest-income students finance their higher education. It is also an important partnership program, as SEOG requires institutions to match federal money with institutional funds to participate in the program. SEOG is an invaluable program that offers a lifeline to students facing extraordinary financial difficulties. In the 4<sup>th</sup> Congressional District, **4,000 students** receive these grants. We are very concerned about efforts to eliminate SEOG in the President's budget as well as in the House reauthorization bill, known as the PROSPER Act. Congress should continue to invest in the current

program, which expands access and opportunity to millions of American students and families. It is also important to mention that currently, an additional **3,900 of our lowest income students** in the 4<sup>th</sup> Congressional District receive Perkins Loans and will lose access to this program because it has been eliminated. We appreciate your efforts to try to salvage this important program. Its elimination makes it even more important to retain funding for SEOG.

### **Federal Work Study**

**We ask that the Appropriations Committee fund the Federal Work Study Program at \$1.01 billion.** The Federal Work-Study program has been successful in helping students persist to graduation and reduce debt by working part-time. In fact, researchers at Columbia University have concluded that Federal Work-Study participants are more likely to graduate and get a job after college than non-participants. It is imperative that funding be sustained at levels that can maintain—and preferably increase—participation in the program. In the 4<sup>th</sup> Congressional District, **2,400 students benefit from Federal Work Study.**

### **Subsidized Student Loans**

We understand that the Appropriations Committee does not have jurisdiction over student loans. However, it is important to note that the President’s proposals to eliminate subsidized loans and Public Service Loan Forgiveness would make college much more expensive, and are included in the House Higher Education Act (HEA) reauthorization proposal. Since the program began in 1965, the federal government has never charged low-income students interest on their student loans while they are in school. Various budget and HEA proposals that would now charge these students interest are a mistake. Such a step would add thousands of dollars in additional student loan interest charges for Pell students for the purposes of deficit reduction. We urge you to oppose this proposal both as you work on the FY 2019 budget, and as you work on the reauthorization of the Higher Education Act. The combination of program eliminations and increased loan costs will put college out of reach for many low-income students. In the 4<sup>th</sup> Congressional District alone, 21,700 students receive Direct Subsidized Loans.

### **House Higher Education Reauthorization Concerns**

We also want to mention that we are very concerned about several other proposals included in the House Higher Education reauthorization proposal, known as the PROSPER Act. As we mentioned above, we oppose efforts to eliminate SEOG and Perkins Loans and we oppose the elimination of subsidized loans. SEOG is an invaluable program that offers a lifeline to students facing extraordinary financial difficulties. It is a program that requires a match from the colleges. At the same time, there is much discussion in Congress to have colleges put up financial guarantees on student loans so institutions have “skin in the game.” Such measures could add significantly to the financial risk for institutions, affect their external financial ratings and ratios, and drive up tuition because there would be no other revenue source for most institutions to make the required payments. We already have “skin in the game.” At private, nonprofit colleges, 67% of all grant aid for students comes from the institutions themselves.

## President Trump's Budget Proposal

We are very concerned about President Trump's FY 2019 budget proposal to Congress, proposing massive cuts to the federal student aid programs. If enacted, low-income students are going to have a much more difficult time affording a college education. Overall, the Administration's proposal would cut \$203 billion over 10 years from the student loan programs, and \$1.6 billion in federal student aid in FY 2019. We appreciate that the Appropriations Committee has thus far rejected the President's budget proposal to drastically cut student aid.

We hope we can continue to count on the Appropriations Committee to invest in the whole array of federal student aid programs, which have a direct impact on our local, regional, and state economies through the students we serve. We look forward to working with you to best serve the students and families of the 4<sup>th</sup> Congressional District.

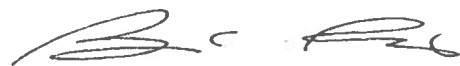
Sincerely,



Paul Cerkenik  
President  
Minnesota Private College Council



Fayneese Miller  
President  
Hamline University



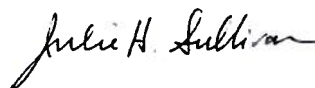
Brian Rosenberg  
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Jay Barnes  
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Tom Ries  
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Julie Sullivan  
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University of St. Thomas



ReBecca Koenig Roloff  
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St. Catherine University