

December 16, 2022

The Honorable James Kvaal U.S. Department of Education 400 Maryland Ave, SW Washington, DC 20202

## Dear Under Secretary Kvaal:

On behalf of Rebuilding America's Middle Class, a coalition of community colleges, I urge you to take a public stance, including as part of the FY 2024 President's budget submission to Congress, in support of expanding Pell Grants to cover short term courses. RAMC strongly supports all Americans, especially low-income and unemployed workers, having access to affordable postsecondary training and credentialing opportunities that can have a significant positive impact on their future career and earnings potential.

RAMC represents more than 120 community colleges and 1.5 million students nationwide. Community colleges serve 45 percent of all first-time freshmen and 40 percent of our students are first-generation college students. Additionally, a significant proportion of our nation's minority undergraduates attend community colleges, including 44.6 percent of all African American undergraduates, 49.7 percent of all Hispanic undergraduates, and 48 percent of Native American undergraduates. Community colleges are open access, seek to make higher education accessible and affordable for everyone and match employers' need for a larger, more diverse workforce. We know the importance of preparing more Americans to enter the workforce with the skills necessary to compete for in-demand jobs.

Even with a shorter path to completion and a lower price point than other post-high school learning pathways, the cost of short-term credential programs can still present challenges for working adults. Pell Grants are the most important tool for community colleges in ensuring postsecondary success for low-income students. Unfortunately, many of our students have only a high school diploma or equivalency and are balancing work and caring for children or other family members. For many low-income students, Pell Grants are essential to afford higher education. In fact, roughly 3.2 million community college students rely on Pell Grants to pursue a postsecondary degree or credential.

While our colleges are working diligently and creatively to find new outlets to support students and their communities, additional aid from the Federal government is vital to our continued ability to help students and ensure community colleges across America can continue to respond to our nation's changing education and workforce demands effectively and nimbly.

Research confirms credential or certificate programs available through community colleges can have tangible value for families, raising median earnings of some completers to \$45,000 compared to the average wages of \$30,000 for individuals who only have a high school education. A report from Old Dominion University found individuals who completed short-term certificate programs at community

colleges saw sustained annual wage gains post-certificate attainment, increasing their earnings immediately after program completion and continuing to see wage growth for up to a decade post-completion.

In recent years, several states have begun to embrace community colleges for their unique ability to solve challenges facing local labor markets. Thanks to their close alignment with area businesses and economic development leaders, community and technical colleges are best equipped to identify opportunities to create affordable, high-quality programs that can rapidly upskill adult workers and help fill area job openings.

Take Virginia, for example, where the <u>Fast Forward</u> program has helped connect thousands of Virginians with credential programs at area community colleges for more than 40 in-demand jobs, resulting in average wage hikes of 20-25% for graduates. In Louisiana, the <u>Reboot Your Career</u> program has helped more than 5,000 displaced workers successfully complete short-term training programs in healthcare, transportation, IT, manufacturing, and construction. Similar initiatives to support rapid upskilling through quality community college programs are underway in <u>Colorado</u>, <u>Texas</u>, <u>Florida</u>, and <u>North Carolina</u>.

However, the current Pell Grant structure does not allow funds to be used for academic programs that are shorter than 600 clock hours or 15 weeks in length, limiting students' ability to get the cutting-edge training they need to immediately pursue career-advancing jobs. It's a proven fact that community colleges can help accelerate real-world career opportunities for millions of Americans – but we must also not sacrifice quality for expedience.

A recent <u>report</u> from the U.S. Department of Education's Institute of Education Sciences examined two federal experiments to offer Workforce Pell and confirmed that allowing students to access Pell grants for short-term programs can lead to increased postsecondary enrollment and completion rates and help students to access pathways to increased credential and learning opportunities. The report found that students who had already earned a Bachelors' degree were 26 percentage points more likely to enroll in additional education if they could access a Pell Grant to pay for a short-term training program.

These students were also 17 percentage points more likely to complete the short-term training program and 11 percentage points more likely to complete a short-term program in a high-demand field. Allowing students to use Pell Grant funds for very short-term programs (less than 8 weeks) "resulted in higher enrollment (15 percentage points) and completion rates (nine percentage points), and an eight-percentage-point bump in completion of programs in high-demand fields".<sup>1</sup>

We strongly urge the U.S. Department of Education to publicly and strongly support the expansion of Pell Grants to include short-term programs. The expansion of eligibility for Pell Grants to short-term programs recognizes the shifting relationship between higher education and work in today's economy. Short-term credentials allow for flexible "on- and off-ramps" so that students gain skills valued by employers and gain access to well-paying jobs in middle-skilled occupations.

For many individuals, a short-term credential is the first step towards earning a long-term certificate, an associate degree, or a bachelor's degree. Federal investment in such programs has the potential to yield

<sup>&</sup>lt;sup>1</sup> Inside Higher Ed, "Analysis of U.S. Experiment on Short-Term Pell," December 16, 2020, <a href="https://www.insidehighered.com/quicktakes/2020/12/16/analysis-us-experiment-short-term-pell">https://www.insidehighered.com/quicktakes/2020/12/16/analysis-us-experiment-short-term-pell</a>

substantial benefits to students and communities and ensures workers are not left behind. If students do not receive additional support from the Federal government for short-term courses, they will be cut off from quality opportunities, reducing access to postsecondary opportunities for our nation's most vulnerable students.

Thank you for your consideration of our views. We look forward to working with you to ensure the Administration robustly supports this critical proposal.

Sincerely,

Monty Sullivan

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President, Louisiana Community and Technical College System