

July 15, 2011

The Honorable Barack Obama  
President of the United States  
1600 Pennsylvania Avenue  
Washington, DC 20500

Dear Mr. President:

Throughout your presidency you have shown a strong commitment to increasing our nation's college completion rates and have made great strides toward advancing this goal. As you negotiate with Congress on a debt ceiling package, we urge you to honor this commitment by protecting the maximum Pell Grant and avoiding any eligibility cuts that would be harmful to students. Cutting Pell Grant awards or eligibility will reduce access to college, undermine the economy, and lower college completion rates when we need to be raising them.

As you know, Pell Grants make college possible for over nine million Americans. They enable the neediest among us to get the postsecondary education required to increase their earning potential and keep America competitive in the global economy. Even after the significant increases in the maximum grant that your Administration secured, the maximum Pell Grant will cover less than a third of the cost of attending a four-year public college next year—the smallest share in the history of the program. Furthermore, Pell Grant recipients are already more than twice as likely as other students to have student loans. Make no mistake: cutting Pell Grants at this time—either through a reduction in the maximum award or through harmful eligibility changes—will reduce the number of people who can attend college and earn a degree.

The recent increase in the cost of the Pell Grant program is no reason to make damaging permanent changes to this successful and vital program. Fully 40% of the recent rise in Pell costs is because of the economic downturn, not policy changes. When millions of Americans lost their jobs and saw their incomes decline during the recession, the Pell Grant program responded as it was designed to—ensuring access to education and training when jobs were scarce. Another 22% of the increase was due to the year-round Pell Grant program, which was ended under the FY2011 budget agreement, reducing program costs by \$40 billion over 10 years. Because of this change and with the economy continuing to recover, program costs have stabilized. In fact, the Congressional Budget Office projects that Pell Grant costs will grow less than 1% a year in the next two years and only 2% a year over the next ten years. After adjusting for inflation, spending on Pell Grants is projected to decline in each of the next two years.

At a time of record income inequality and unemployment, Pell Grants are one of the keystones of economic mobility and opportunity in this country. Cutting Pell Grant awards or eligibility would be pennywise and pound-foolish. We urge you to honor the values you have articulated for the nation and protect educational opportunity in the current deficit reduction package.

Sincerely,

All Education Matters  
American Association of Collegiate Registrars  
and Admissions Officers  
American Association of University Women  
American Federation of Teachers  
American Medical Student Association  
American School Counselor Association

American Student Association of Community  
Colleges  
ASPIRA  
Business-Higher Education Forum  
Campaign for College Affordability  
Campaign for College Opportunity  
Campus Progress Action

Center for Law and Social Policy  
Children's Defense Fund  
College Summit  
Community College League of California  
Corporate Voices for Working Families  
Crittenton Women's Union  
Democrats for Education Reform  
Dēmos: A Network for Ideas & Action  
The Education Trust  
Forum for Youth Investment  
Generational Alliance  
Green Dot Public Schools  
The Greenlining Institute  
Hispanic Association of Colleges and  
Universities  
The Institute for College Access & Success  
Institute for Higher Education Policy  
Jobs for the Future  
KIPP Foundation  
League of United Latin American Citizens  
MomsRising  
NAACP  
National Association for College Admission  
Counseling  
National Association for Equal Opportunity in  
Higher Education  
National Association of Student Financial Aid  
Administrators

National Association of State Student Grant and  
Aid Programs (NASSGAP)  
National Black Law Students Association  
National College Access Network  
National Consumer Law Center (on behalf of its  
low-income clients)  
National Council for Community and Education  
Partnerships (NCCEP)  
NCLR (National Council of La Raza)  
National Education Association  
National Organization for Portuguese Americans  
National Skills Coalition  
Neighborhood Economic Development  
Advocacy Project  
Public Advocates  
Rebuild the Dream  
Rock the Vote  
Roosevelt Institute Campus Network  
Single Stop USA  
Thurgood Marshall College Fund  
UNCF  
U.S. Public Interest Research Group  
United States Student Association  
Women Employed  
Workforce Strategies Initiative at The Aspen  
Institute  
Year Up  
Young Invincibles