Congress of the United States

House of Representatives

Washington, DC 20515-1304

The Honorable Roger Aderholt, Chair Subcommittee on Labor, HHS, and Education Committee on Appropriations 2358-B Rayburn House Office Building 45 Independence Ave SW Washington, D.C. 20515 The Honorable Rosa DeLauro, Ranking Member Subcommittee on Labor, HHS and Education Committee on Appropriations 2358-B Rayburn House Office Building 45 Independence Ave SW Washington, D.C. 20515

May 1, 2024

Dear Chairman Aderholt and Ranking Member DeLauro:

As you begin drafting the Fiscal Year 2025 appropriations bill for the U.S. Departments of Labor, Health and Human Services, and Education (Labor-H), we write to express our continued support for prioritizing robust funding for Federal Pell Grants and the Campus-Based student financial aid programs: Federal Supplemental Educational Opportunity Grants (SEOG) and Federal Work-Study (FWS). Investing in college access and completion makes good economic sense for American taxpayers and our economic growth.

By 2031, more than 7 out of 10 jobs will require postsecondary education or training. ¹ Typical earnings for bachelor's degree holders are 84 percent higher than those whose highest degree is a high school diploma, and college graduates on average make \$1.2 million more over their lifetime. ^{2,3} College graduates are half as likely to be unemployed as their peers who only have a high school degree. ⁴

Pell Grants, SEOG, and FWS work together to ensure low-income and middle-income students can access and complete college, without overreliance on student loan debt. Over 50% of all postsecondary students are the first generation in their families to enter college (first-gen) and utilize these programs.⁵

Federal Pell Grants are targeted to students with the most financial need. Pell Grants are the most successful means-tested federal program, as 78% of Pell Grant recipient families earn \$40,000 or less annually, and nearly half had income less than \$20,000.⁶ For many, Pell Grants make the difference between being able to afford college or not. More than six million low- and middle-income students

¹ https://cew.georgetown.edu/cew-reports/projections2031/

 $^{^2\,\}underline{\text{https://libertystreeteconomics.newyorkfed.org/2019/06/despite-rising-costs-college-is-still-a-good-investment/}$

³ https://www.wsj.com/articles/BL-REB-36351

⁴ https://fred.stlouisfed.org/graph/fredgraph.png?g=Qlc3

⁵https://firstgen.naspa.org/journal-and-research/national-data-fact-sheets-on-first-generation-college-students/7A515490-E6AA-11E9-BAEC0242AC100002

⁶ https://www.nasfaa.org/issue_brief_double_pell

receive a Pell Grant. A study of college students in Texas found that Pell Grant recipients' higher wages and taxes after graduation caused the government to recoup the cost in just ten years.⁷

SEOG provides up to \$4,000 in grants to low- and middle-income students and funds programs that help at-risk students get into and stay in college. Providing these students with grant aid, rather than only providing the option of student loans, helps keep them in school and focused on reaching their full potential. Pell Grants and other need-based aid increase enrollment, persistence, and completion. SEOG provides important flexibility to institutions, allowing financial aid officers to target funds to support students who have experienced unexpected financial changes. SEOG is a critical tool to help students access college and persist on their path to a degree. SEOG served more than 1.6 million students in FY23. We request that Congress prioritize robust funding for SEOG.

Federal Work-Study provides a wide variety of job opportunities that are mainly on campus for students to work to cover part of their tuition; however, students can also have an opportunity to work off-campus as well in jobs that are of the public interest or as part of their degree. Having a work-study job on campus is a proven method of keeping low-income students engaged in their campus community while completing their degree on time, a fundamental goal of federal student aid. Students in work-study jobs have higher rates of persistence, degree completion, and employment after college than their peers. While 660,000 students earn Federal Work-Study, Congress provides enough funding for about 10% of first-time, full-time undergraduates to be able to participate. We request that Congress prioritize robust funding for Federal Work-Study.

Thank you for considering this important federal funding request and for your continued leadership in supporting federal student aid programs. These programs help millions of students to access and afford a higher education that strengthens our local economy and global competitiveness.

Sincerely,

Lori Chavez-DeRemer

Member of Congress

Nick LaLota
Member of Congress

Thomas H. Kean, Jr. Member of Congress

Marcus J. Molinaro
Member of Congress

⁷ https://www.nber.org/system/files/working_papers/w23860/w23860.pdf

⁸ https://cepa.stanford.edu/sites/default/files/wp18-04-v201803.pdf

⁹ https://www2.ed.gov/about/overview/budget/budget24/summary/24summary.pdf

¹⁰ https://www.sciencedirect.com/science/article/abs/pii/S0272775715000825?via%3Dihub

¹¹ https://www2.ed.gov/about/overview/budget/budget24/summary/24summary.pdf

Anthony D'Esposito Member of Congress

Member of Congress

Aumua Amata Coleman Radewagen Member of Congress

Carol D. Miller Member of Congress

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Noutraniel Moran

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