



**Reauthorizing the Higher Education Act:  
Simplifying the FAFSA and Reducing the Burden of  
Verification**

**Addendum to the  
Testimony of  
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**Document submitted on March 22, 2019, as an  
addendum to testimony before the  
United States Senate Committee on  
Health, Education, Labor and Pensions on  
March 12, 2019**

Thank you, Chairman Alexander, Ranking Member Murray, and members of the committee for the opportunity to submit this addendum to my testimony regarding reauthorization of the Higher Education Act presented to the United States Senate Committee on Health, Education, Labor and Pensions on March 12, 2019.

I seek to elaborate on two issues. First, I want to emphasize the importance of supporting Historical Black Colleges and Universities (HBCUs) in order to reduce the disproportionate debt burden for student borrowers of color. Second, I would like to submit Alabama’s definition of quality postsecondary credentials for your consideration as you consider authorizing Pell Grants funding for short-term credentials.

**Title III Funding, HBCUs, and College Affordability**

HBCUs play an essential role in boosting access and success for African American students. In fact, even though HBCUs represent just 3 percent of two-year and four-year public and private nonprofit institutions eligible for federal dollars, they award 17 percent of all bachelor’s degrees earned by African American students.<sup>1</sup> Furthermore, HBCUs have conferred 24 percent of the bachelor’s degrees earned by black students in science, technology, engineering, and mathematics fields since the early 2000s.<sup>2</sup> Thus, HBCUs’ track record with regards to postsecondary attainment warrants the allocation of an increased amount of taxpayer dollars.

A critical means of supporting this extraordinary attainment at HBCUs is the Empowering HBCU Grant Program in Title III-B, Section 323 of the Higher Education Act (HEA). These formula-based grant dollars are authorized for – among other things – academic resources and endowment capacity building, and the formula is weighted heavily towards how well the institution enrolls and serves Pell students.

As noted below, this program faced decreases in appropriations from FY2012 to FY2013, FY2013 to FY2014, FY2014 to FY2015, and FY16 to FY17. Furthermore, the mandatory spending for this program in Title III-F, Section 371 of HEA expired in fiscal year 2019 (FY19).<sup>3</sup> Thus, a significant source of funding for a demonstrably successful program is set to disappear if Congress does not act before the 2020 appropriations have concluded. The figure below depicts the appropriations negotiations outcomes for this program from FY11 through the most recent omnibus.

**Strengthening HBCU Grant Program Appropriations, FY 2011-2019 (in millions)<sup>4</sup>**

Fiscal Year	Discretionary Appropriations	Mandatory Appropriations	Total Appropriations	Mandatory Approps. as % of Total
2019	\$282,420	79,730	362,150	22%
2018	279,624	79,390	359,014	22%
2017	244,694	79,135	323,829	24%
2016	244,694	79,220	323,914	25%
2015	227,524	78,795	306,319	26%
2014	223,783	78,880	302,663	26%
2013	216,056	80,665	296,721	27%
2012	227,980	85,000	312,980	27%
2011	236,991	85,000	321,991	26%

Absent a significant increase in discretionary spending in FY20 or an agreement reached outside appropriations negotiations, the very foundation of this soon-to-be expired program will fracture. A drastic decrease in funding for this program will inevitably force HBCUs to turn to alternative revenue streams, potentially leaving students with a higher bill for tuition and fees than anticipated. Raising tuition and fees would be especially problematic for HBCU students, who already borrow nearly twice as much as their peers enrolled at non-HBCU institutions.<sup>5</sup> To avoid that unacceptable outcome, we ask that, once reauthorized, mandatory appropriations for this program should be indexed to inflation to ensure at least moderate year-over-year increases, unlike the cuts resulting from the majority of the last eight budget cycles.

It is essential that the investments made in this program reflect the outstanding nature of the outcomes to which it has contributed. Thus, we urge you and your colleagues to earnestly prioritize this truly pressing need during the forthcoming HEA and appropriations negotiations.

### **The JOBS Act, Short-Term Pell Grants, and Quality Postsecondary Credentials**

Currently, low-income students can use Pell grants to pay for bachelor's degrees, associate degrees, and certificate programs that last more than 600 clock hours or at least 15 weeks. The Jumpstart Our Businesses by Supporting Students (JOBS) Act would close the skills gap in the labor market by expanding Pell Grant eligibility to cover high-quality and rigorous short-term certificate programs so workers can afford high-demand credentials.

However, the JOBS Act does not clearly define what constitutes "high-quality and rigorous" short-term certificate programs. As a result, this legislation puts at risk both federal investments in Pell Grant dollars and student investments in time, money, and deferred earnings.

The Alabama Workforce Council and its Statewide Educational Attainment Committee reflected on how to ensure better outcomes for individuals, business and industry, and the overall economy as it wrote its Success Plus strategic plan to add 500,000 highly-skilled individuals to the state's workforce by 2025. Success Plus relies on the following indicia of quality credentials:

- **Valuable** – Leads to increased wages that are at least 20 percent higher than those earned by an individual with a high school diploma alone; provides for career advancement and increased job security.
- **Portable** – Transferable to multiple employers and provides broad workforce opportunities; recognized as skills necessary to be successful in the state's economy.
- **Stackable** – Provides a base for additional, continuous, or advanced training and/or education that can expand expertise and create additional wage value.
- **Trackable** – Can be quantifiably tracked by the state to ensure that awarded certificates align with industry needs and provide continued value to the bearer.
- **Skills-Based** – Awarded by professional groups, industry, vendors, and government agencies to individuals demonstrating measurable technical or occupational skills.

• **In Demand** – Responds to a demonstrated need by employers in Alabama to meet current and future workforce needs of the state’s evolving economy.<sup>6</sup>

Including a robust definition of “high-quality and rigorous” short-term certificates in the JOBS Act would enhance outcomes and return on investment for education and workforce stakeholders.

You have a significant opportunity to make postsecondary education more accessible and affordable for today’s students and families. Thank you for considering practitioners’ perspectives.

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<sup>1</sup> Williams, K. and Davis, B. (2019). Public and Private Investments and Divestments in Historically Black Colleges and Universities. American Council on Education and United Negro College Fund. <https://www.acenet.edu/news-room/Documents/public-and-private-investments-and-divestments-in-hbcus.pdf>

<sup>2</sup> Preston, DeShawn C. (2017). Historically Black Colleges and Universities (HBCUs) Serving as a Community Cultural Wealth for African Americans Who Enroll in STEM Doctoral Programs. Clemson University. [https://tigerprints.clemson.edu/all\\_dissertations/1931](https://tigerprints.clemson.edu/all_dissertations/1931)

<sup>3</sup> United States Department of Education Budget Tables. <https://www2.ed.gov/about/overview/budget/tables.html>

<sup>4</sup> Ibid.

<sup>5</sup> Saunders, K.M., Williams, K.L., & Smith, C. L. (2016). Fewer Resources More Debt: Loan Debt Burdens Students at Historically Black Colleges & Universities. United Negro College Fund Frederick D. Patterson Research Institute. [http://images.uncf.org/production/reports/FINAL\\_HBCU\\_Loan\\_Debt\\_Burden\\_Report.pdf](http://images.uncf.org/production/reports/FINAL_HBCU_Loan_Debt_Burden_Report.pdf)

<sup>6</sup> Alabama Workforce Council Statewide Attainment Committee (2018). Preparing Alabama’s Workforce for Opportunity & Growth. <http://www.madeinalabama.com/assets/2018/05/Success-Plus.pdf>