AAU APPLAUDS PELL GRANT FUNDING IN BUDGET CONTROL ACT

Following is a statement by Hunter Rawlings, President of the Association of American Universities (AAU), on the partial restoration of Pell Grant funding in Fiscal Years 2012 and 2013 by the Budget Control Act.

AAU applauds the President and Congress for providing critical funding to sustain the Pell Grant program in the agreement to raise the ceiling on the national debt. Serving nearly 9 million students, Pell Grants are the primary means by which our society provides low-income students the opportunity to attend college. We cannot meet the demand for a highly educated workforce without increasing the number of students from low- and moderate-income backgrounds who are able to afford and obtain access to higher education.

While very much welcome, the funds for Pell come in part from the elimination of the in-school interest subsidy for most graduate student participants in the federal student loan program. The majority of students who receive subsidized Stafford loans have annual incomes below $40,000, and the loss of the in-school interest subsidy will hit these low-income students the hardest. Making it more difficult for graduate and professional students to pay for their training will have a negative impact in the short and long term, but particularly now, when we need more students to complete advanced degrees in order to maintain our nation’s competitiveness.

As the nation wrestles with how to reduce budget deficits further, it is essential that funding for federal student aid remain a national priority.

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The Association of American Universities is an association of 59 U.S. and two Canadian research universities organized to develop and implement effective national and institutional policies supporting research and scholarship, graduate and professional education, undergraduate education, and public service in research universities.