



FY17: Department of Education — Student Aid

Federal student aid is an investment in our nation's future. Americans recognize that a college education is an essential part of the American dream and that everyone who qualifies should have the opportunity to pursue a higher education. The Department of Education projects there will be 19 million students enrolled in undergraduate programs by the year 2019, representing a nearly 16 percent increase in enrollment from 2008. Recent polls show that Americans believe helping students pay for college is an important and desirable federal investment.

AAU urges Congress to maintain the discretionary base of \$4,860 for the Pell Grant to support the scheduled increase in the maximum award to \$5,935, which comprises both discretionary and mandatory funding. We urge Congress to protect the future of the Pell Grant program by ensuring that any funding surplus remains in the program.

AAU urges Congress to maintain at least pre-sequester funding levels for other federal student aid programs that provide grants and work-study to low- and middle-income students, as well as the programs that help at-risk students enter and stay in college. **For FY17, AAU recommends the following:**

- **Supplemental Educational Opportunity Grants**—\$757 million,
- **Work-Study**—at least \$990 million,
- **TRIO**—\$980 million), and
- **GEAR UP**—\$343 million.

FY17 RECOMMENDATION:

AAU urges Congress to maintain the *discretionary spending* base of \$4,860 for the Pell Grant to support a maximum award of \$5,935

For FY17, AAU urges Congress to provide at least the pre-sequester (FY12) funding level of \$31 million for the Graduate Assistance in Areas of National Need (GAANN) program. The GAANN program helps ensure a strong pipeline of talented experts and educators who will help to meet the demands of our 21st century workforce. We support including the arts, humanities, and social disciplines as eligible fields for grant competition in FY17.

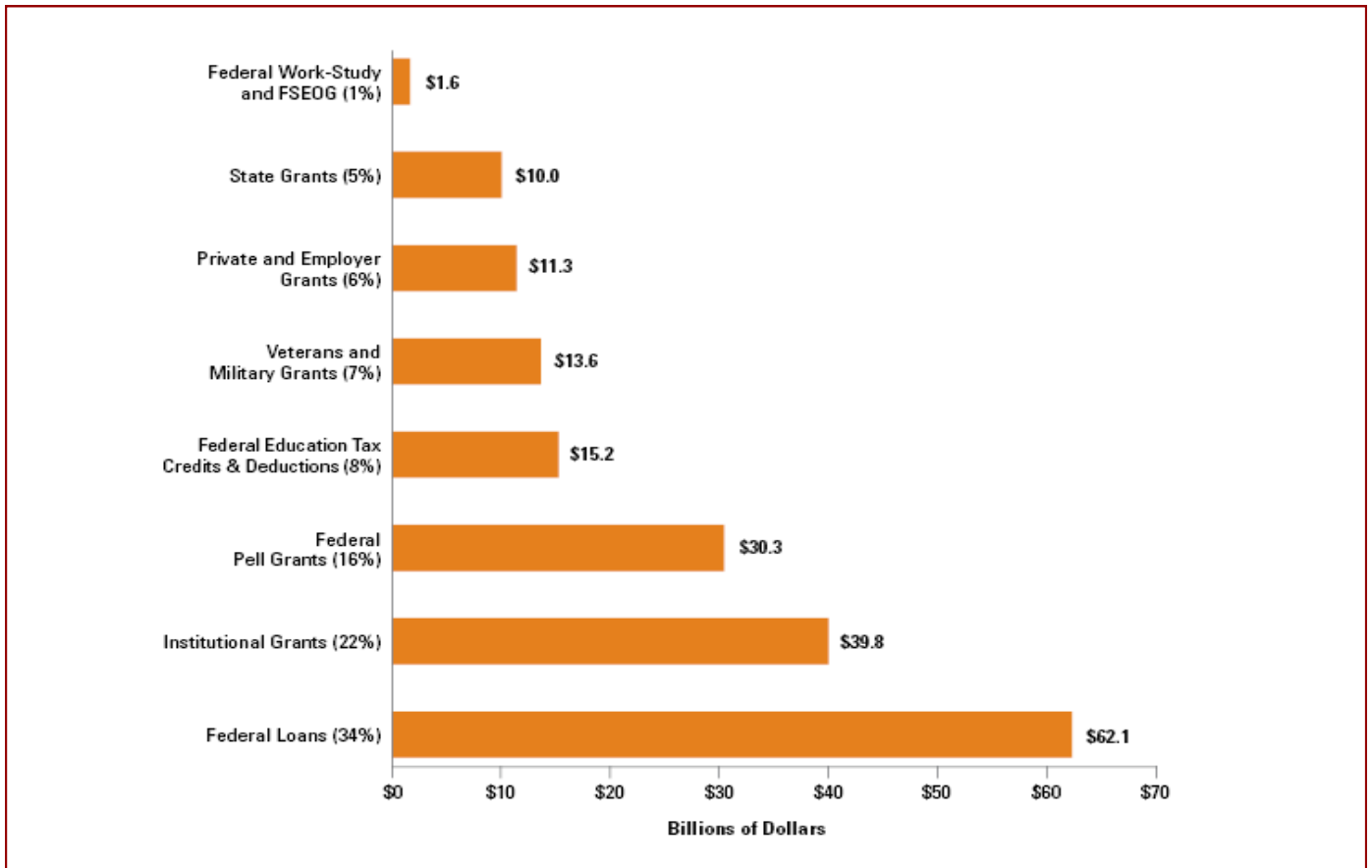
Student Loans: AAU is committed to working with Congress to sustain the **Perkins Loan** program, an important campus-based loan program that helps undergraduate and graduate students meet immediate financial needs. AAU is concerned about the erosion of benefits in the federal student loan programs, particularly for graduate and professional students and wants to work with Congress and the Administration on a long-term, sustainable strategy for federal student loan programs.

Federal Student Aid

Investments in federal student aid are essential to maintaining and strengthening the nation's skilled workforce and promoting our innovative capacity and economic competitiveness. A 2013 study by the Georgetown University Center on Education and the Workforce concluded that by 2020, 65 percent of all jobs in the economy will require postsecondary education and training beyond high school and 35 percent of jobs will require at least a bachelor's degree. At the current rate of production, the nation will face a shortage of five million workers with the necessary postsecondary credentials.

Between 2009-10 and 2014-15, the largest increase in aid to undergraduate students, both in dollars and in percentage terms, was in institutional grant aid, which increased by \$9.6 billion or 32%

-Source: College Board



Total Undergraduate Student Aid by Source and Type (in \$Billions) - 2014-15 Source: College Board