

1201 16th St., N.W. | Washington, DC 20036 | Phone: (202) 833-4000

Rebecca S. Pringle President

Princess R. Moss Vice President

Noel Candelaria Secretary-Treasurer

Kim A. Anderson Executive Director

February 27, 2024

U.S. House of Representatives Washington, D.C. 20515

Dear Representative:

On behalf of the National Education Association's 3 million members and the students they teach and support in public schools and public colleges and universities, we urge you to vote NO on the Bipartisan Workforce Pell Act, H.R. 6585. Votes related to this issue may be included in the NEA's Report Card for the 118th Congress.

While many of H.R. 6585's intentions are worthwhile, we believe several provisions outweigh the potential to achieve the legislation's goals. Because it is being considered under suspension, with no opportunity for amendments, we must oppose it.

Pay-For will Undermine PSLF and Income-Driven Repayment Plans

H.R. 6585 requires high-endowment colleges and universities to reimburse the U.S. Department of Education annually for unpaid interest and balances forgiven under income-driven repayment (IDR) plans and Public Service Loan Forgiveness (PSLF)—as well as any incomplete payments from an institution's alumni. This will undermine PSLF by discouraging institutions with high endowments from offering programs that are pipelines into public service careers in areas such as education, public health, social work, and other fields that are facing historic shortages. In this way, the legislation could harm efforts to encourage students to pursue public service careers and at the same time hamper the burgeoning success of the revamped PSLF program and new IDR plans.

The pay-for could also discourage high-endowment institutions from enrolling low-income and low-wealth students, many of whom are students of color. These are the very students who would be most likely to take out federal student loans and make use of IDR plans. In light of the U.S. Supreme Court's decision overturning affirmative action in admissions, this outcome would be yet another setback for African American, Latino, Native American, and other students of color. Our nation's wealthiest colleges and universities would likely become "even more racially and socioeconomically homogenous" than they already are.

Short-Term Pell May Incentivize Shoddy For-Profit Training Programs

While our nation must offer more high-quality training programs to prepare students and working people for good jobs that can support families and communities, the Bipartisan Workforce Pell Act does not contain enough guardrails to ensure that short-term Pell Grants would only be used for high-quality programs. Sadly, the for-profit college industry has a history of starting new training programs when new sources of federal funding are created, and then leaving students without the skills they were promised.

Pell Grant Exhaustion

Although the Bipartisan Workforce Pell Act prorates the Pell Grant according to the length of the program, eligibility for the Pell Grant could be imperiled if, following a short-term program, a student decides to enroll

in a four-year institution. This could force the student to leave midway through a four-year program, or take on student debt to complete the degree. Additionally, expanding Pell to cover short-term programs at expensive for-profit institutions will strain the Pell budget, and policymakers may react by tightening eligibility requirements for the grants or cutting grant amounts. When this has happened in the past, community college students have been most severely affected.

We believe that all students must have access to programs of study that provide them with pathways to success, via multiple channels: two- or four-year colleges and universities and high-quality training programs alike. However, the Bipartisan Workforce Pell Act does not do enough, or contain the proper guardrails, to achieve this worthy aim. We therefore urge you to vote NO on the Bipartisan Workforce Pell Act.

Sincerely,

Mantym

Marc Egan Director of Government Relations National Education Association