



The National Economic Development & Law Center

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Committee on Education and the Workforce
U.S. House of Representatives

Dear Committee Members:

Thank you for the opportunity to comment on the reauthorization of the Higher Education Act. I am writing on behalf of Californians for Family Economic Self-Sufficiency (CFESS), a project of the National Economic Development & Law Center. CFESS is a statewide coalition of hundreds of California workforce development organizations, community colleges, women's groups, children's groups, economic development agencies, welfare agencies, and microenterprise organizations, all focused on advocating for policies that help families move toward economic self-sufficiency.

Because domestic skill development at the postsecondary level is an especially important part of our country's future economic success, we are especially thrilled that you are interested in accepting proposals that will expand access to higher education. Forty years ago, 80% of workers could get a job without a college education; today, over half of workers require some college to secure a job.¹ It has been forecasted that by 2010, 70% of all new jobs will require some kind of post-secondary education.² The U.S. economy is headed for a skills deficit: by 2020, there will be approximately 15 million jobs that require postsecondary educational credentials, but only 3 million people who hold those credentials.³ It is our hope that the Higher Education Act can work towards closing this important gap.

In California, we know that our state's community colleges have proven especially effective at working to close this gap by providing skills training and opportunities to low-income people. The Center for Law and Social Policy found in a recent study that student-parents on welfare in California's community colleges who graduated with an Associate's degree increased their incomes by 85 percent after only one year out of school. Additionally, welfare recipients who enter California community colleges without a high school diploma increase their earnings by 40 percent after one year out of school.⁴

¹ Carnevale, Anthony and Richard Fry, "Crossing the Great Divide: Can We Achieve Equity When Generation Y Goes to College?" Educational Testing Service (Princeton, NJ 2000).

² Victoria Choitz, Future Works, in remarks made at Washington, D.C. conference of The Workforce Alliance, December 2002.

³ Ibid.

⁴ Center for Law and Social Policy & California Community Colleges Chancellor's Office, "Credentials Count: How California's Community Colleges Help Parents Move from Welfare to Self-Sufficiency," (May 2002).

Federal financial aid is an important part of the educational picture for these low-income student-parents, and is dramatically underutilized. Only 7.7% of working parents enrolled less than half time received any federal, state or institutional aid.⁵

Our primary recommendation for the Higher Education Act, pursuant to the questions and format published by your committee, is:

Increase access to federal financial aid (loans and grants) for working adult students (Statutory Authority: Higher Education Act, Title IV):

Suggested Amendment: HEA should allow students who are enrolled less-than-half-time to be eligible for a portion of government guaranteed loans. Some existing government-guaranteed loans are already not based on student need, but they are only limited to students who are taking courses more than half time.

Suggested Amendment: The needs of working adults going to school less-than-half-time should be accommodated in Pell grant eligibility calculations. For example, working adults often have too high an expected family contribution (EFC) for eligibility. Also, less-than-half-time students should be able to include room and board in their cost of attendance.

Rationale: The federal educational funding and financial aid system should take into account the needs of nontraditional students (who are working outside of school full-time, are parents or low-income, for example) since nontraditional students are one of the fastest-growing populations in the community college system. These students are also the core of the adult workforce that attends higher educational programs for the purposes of career advancement. For example, it is estimated that during 1999-2000, there were about 3 million less-than-half-time degree-seeking students enrolled in Title IV-eligible programs (18.5% of all students). About one-third of them worked full-time and had dependents.⁶

Thank you for the opportunity to comment on the reauthorization of the Higher Education Act.

Sincerely,

Aimee Durfee, Coordinator
Californians for Family Economic Self-Sufficiency

⁵ Bosworth, Brian and Victoria Choitz, "Held Back: How Student Aid Programs Fail Working Adults – Executive Summary," Futureworks (Belmont, MA 2002).

⁶ Ibid.