

**EXPANDING ACCESS TO COLLEGE IN AMERICA: HOW THE HIGHER EDUCATION ACT CAN PUT COLLEGE WITHIN REACH**

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**HEARING**

BEFORE THE

SUBCOMMITTEE ON 21ST CENTURY  
COMPETITIVENESS

OF THE

COMMITTEE ON EDUCATION  
AND THE WORKFORCE

U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED EIGHTH CONGRESS

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**EXPANDING ACCESS TO COLLEGE IN  
AMERICA: HOW THE HIGHER EDUCATION  
ACT CAN PUT COVERAGE WITHIN REACH**

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**Tuesday, July 15, 2003  
U.S. House of Representatives  
Subcommittee on 21st Century Competitiveness  
Committee on Education and the Workforce  
Washington, DC**

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The Subcommittee met, pursuant to call, at 10:04 a.m., in room 2175, Rayburn House Office Building, Hon. Howard P. "Buck" McKeon [Chairman of the Subcommittee] presiding.

Present: Representatives Isakson, Keller, Osborne, Carter, Burns, Kildee, Tierney, Kind, Wu, Van Hollen, Ryan, Owens, Payne, and Hinojosa.

Also Present: Representative Bishop.

Staff Present: Kevin Frank, Professional Staff Member; Alexa Marrero, Press Secretary; Alison Ream, Professional Staff Member; Deborah L. Samantar, Committee Clerk/Intern Coordinator; Kathleen Smith, Professional Staff Member; Holli Traud, Legislative Assistant; Ellyn Bannon, Minority Legislative Associate/Education; Ricardo Martinez, Minority Legislative Associate/Education; and Joe Novotny, Minority Legislative Assistant/Education.

Chairman MCKEON. A quorum being present, the Subcommittee on 21st Century Competitiveness of the Committee on Education and the Work Force will come to order. We make the quorum.

Mr. KILDEE. We have a good team.

Chairman MCKEON. We are meeting today to hear testimony on expanding access to college in America, how the Higher Education Act can put college within reach. Under Committee Rule 12(b), opening statements are limited to the Chairman and the ranking minority member of Subcommittee. Therefore, if other members have statements, they may be included in the hearing record. For that I ask unanimous consent for the hearing record to remain open 14 days to allow members statements and other extraneous material referenced during the hearing to be submitted in the official hearing record. Without objection so ordered.

**STATEMENT OF HON. HOWARD P. "BUCK" MCKEON, CHAIRMAN, SUBCOMMITTEE ON 21st CENTURY COMPETITIVENESS**

I will begin now with my opening statement. Good morning. Thank you for joining us for this important hearing today to hear

testimony about college accessibility which is the foundation of the Higher Education Act. This is our ninth hearing examining issues that affect our Nation's colleges and universities and the students they serve as the Committee continues to look at the reauthorization of the Higher Education Act.

When the Higher Education Act was authorized in 1965, Congress made a fundamental commitment to ensure that every student who desired to pursue a higher education was afforded the opportunity. With the creation of the Pell Grant program, government-backed student loans and the access programs such as TRIO and GEAR UP, the Higher Education Act now authorizes multiple programs for low-income, first generation college students in order to provide them the necessary assistance to allow postsecondary education to be a realistic and attainable goal. Over the last three decades, our Nation has made great strides to ensure that millions of eligible students can access a postsecondary education.

However, even if with the efforts of both the Federal Government and many other invested parties, there has been some concern over the last few years that many potential college students are still not getting assistance both academically and financially to gain access to postsecondary education. It is clear there is more we need to do and, as with other programs, there is room for improvement.

Last week, this Subcommittee talked about and recognized the need for improvement and reform in the area of affordability. Thousands of highly qualified students who are academically prepared for college cannot afford to attend and fulfill their dreams because higher education institutions, and States, are increasing their tuition beyond the reach of students. But, obviously, there are other factors as well.

Having the dream of attending postsecondary education is as important as having the means to attend. According to the U.S. Department of Education's report on "Factors Related to College Enrollment," those students who expect and prepare to attend an institution of higher education are more likely to actually enroll and attend the college or university. Only 19 percent of those in the eighth grade whose expectation is to graduate from high school actually attend a postsecondary institution. Conversely, 73 percent of those in the eighth grade who expect to obtain a bachelor's degree actually attend college. These statistics show that there is still a need for early intervention with students who, because of their socioeconomic status, race, age or gender, believe that a postsecondary education is not possible. It is vitally important for the future of our Nation that we reverse these beliefs in order to let every student, regardless of their background or expectations, know that postsecondary education is possible.

As early as eighth grade, students form their educational expectations and the type of courses taken as early as junior high school closely relate to postsecondary education attendance. We know that the end of high school is too late in most cases to inform students of their options for higher education opportunities. General information about postsecondary education and more specific information related to financial and academic preparation need to be distributed to students and their parents as early as possible. According to the Department of Education, one quarter of parents said

they were not able to get enough information about financial aid when their child was in the eighth grade and about a quarter of low-income families did not apply for financial aid because they did not know how to apply.

Equally important to students seeking an education is ensuring that a variety of institutions participate in the programs under the Higher Education Act. It is imperative that we look at current law to see how it may preclude reputable, fiscally-sound institutions from all sectors—public and private, for and not-for-profit, 2-year and 4-year institutions—from participating in programs under the Higher Education Act. If institutions are not able to reach the students who live in their communities because of unnecessary and indefensible restrictions, then our Nation's students suffer to gain access to such vital programs in the current law.

I firmly believe that we can make sure that the law is equitable while continuing to maintain the integrity of the student financial aid programs.

Our witnesses here today will talk about the access programs that currently exist at a national level, at the State level, and even in the local communities in which they work. We will also hear some recommendations for improvement and some new ideas in order to ensure that we continue to educate and encourage all students with the idea that college is possible. I also hope that we will learn more about what provisions in the law may currently prohibit some postsecondary institutions from accessing resources that will enable them to work more closely with various student populations.

As we work to reauthorize the Higher Education Act, the central goal still remains to provide access to students who desire a quality higher education. We must remove unnecessary barriers and allow these critical programs to reach their full potential to serve students and help them reach their educational goals. However, we will not be doing our job if we do not make every effort to provide the necessary information students and their parents need about how to fulfill their educational dreams.

Mr. Kildee and I worked together on this in 1998, the last reauthorization, and feel like we did a good job. But there is still a lot left to be done. We are trying to work together now, as we go through this process, to make sure that we have a bipartisan approach. This would be one more hearing in which to work to that end.

I now yield to Mr. Kildee for his opening statement.

[The prepared statement of Chairman McKeon follows:]

**Statement of the Honorable Howard "Buck" McKeon, Chairman, Subcommittee on 21st Century Competitiveness, Committee on Education and the Workforce**

Good morning. Thank you for joining us for this important hearing today to hear testimony about college accessibility, which is the foundation of the Higher Education Act. This is our ninth hearing examining issues that affect our nation's colleges and universities and the students they serve as the Committee continues its look at the reauthorization of the Higher Education Act (HEA).

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postsecondary education to be a realistic and attainable goal. Over the last three decades, our nation has made great strides to ensure that millions of eligible students can access a postsecondary education.

However, even with the efforts of both the Federal government and many other invested parties, there has been some concern over the last few years that many potential college students are still not getting the assistance—both academically and financially—to gain access to postsecondary education. It is clear there is more we need to do and, as with other programs, there is room for improvement.

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Equally important to students seeking an education is ensuring that a variety of institutions participate in the programs under the Higher Education Act. It is imperative that we also look at current law to see how it may preclude reputable, fiscally-sound institutions from all sectors—public and private, for and not-for-profit, two-year and four-year institutions—from participating in programs under the Higher Education Act. If institutions are not able to reach the students who live in their communities because of unnecessary and indefensible restrictions, then our nation's students suffer to gain access to such vital programs in current law.

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As we work to reauthorize the Higher Education Act, the central goal still remains to provide access to students who desire a quality higher education. We must remove unnecessary barriers and allow these critical programs to reach their full potential to serve students and help them reach their educational goals. However, we will not be doing our job if we do not make every effort to provide the necessary information students and their parents need about how to fulfill their educational dreams.

I now will yield to Congressman Kildee for any opening statement he may have.



**STATEMENT OF HON. DALE KILDEE, A REPRESENTATIVE IN  
CONGRESS FROM THE STATE OF MICHIGAN**

Mr. KILDEE. I thank you, Mr. Chairman, and good morning to the witnesses, those in the audience. I am, really, always happy to work with Chairman McKeon.

Indeed, in 1998 we wrote a very good bill, and we hope to do that again this year. We have already done two parts of it last week, the teacher training part and the loan forgiveness part, and it was a bipartisan effort that passed overwhelmingly on the floor. Bipartisan does not mean perfect, but it means very good, and I think we both felt very good about it, and I think we do our best work when we work in a bipartisan way, and I look forward to working with you and with Mr. McKeon on this bill this year.

There is nothing more important in higher education than how access to a postsecondary education is guaranteed. Despite over 30 years now since the passage of the Higher Education Act, low-income, minority, and those who would be first-generation college students still do not attend postsecondary institutions at the rate of their nondisadvantaged peers. In 1997, 27 percent more high-income families enrolled in college in the fall following their high school graduation than low-income families. In the same year, the participation rate of whites was 7 percent higher than that for African Americans and 21 percent higher than that for Hispanics.

This higher education attendance gap translates into lost opportunities and lost future income. An individual holding a bachelor's degree earns an average of 80 percent more than someone who has just a high school degree, and over a lifetime this gap grows to well beyond a million dollars. These statistics are startling and make access to a college education even more important today.

Fortunately, Congress has responded to these issues through several means. First, we provide financial aid to our neediest of students through Pell Grants and other forms of need-based grant aid, ensuring that our neediest students have sufficient grant and really should really be one of our top priorities here in Congress. And I have been one that has been pushing Pell Grants very very strongly, because I think all of us in this room realize that students are assuming such horrendous debt level that it is becoming a very very serious problem and a real deterrent for people going to college when they realize the debt that they would have to undertake.

The buying power of the Pell Grant itself is at an all-time low. In fact, the increase in the maximum Pell Grant made under the entire Bush administration is lower than the increase in only the last year of the Clinton administration. And this is a trend that we must reverse. Of course, again, that is more the appropriations process there, and we did pass that bill last week with only \$4,050 maximum Pell Grant, exactly the same as it was in the present year.

Second, we need to fund and strengthen our early intervention programs under TRIO and GEAR UP. As a former teacher, I know how important it is and how much more effective it can be if we would address this in a more meaningful way. It is absolutely critical that support services, counseling, and other early intervention activities be available for low-income and likely first-generation col-

lege students. Without these services, many of our students will not realize the opportunity of postsecondary education.

And third, and not something necessarily for debate by this Subcommittee, is the importance of having an accountable and well-funded K-12 education system. That system is the one that feeds the higher education system. And sometimes I have been ranking Democrat or even one time, years ago, Chair of that Committee, but much of the accountability provisions of the No Child Left Behind Act will identify which schools and school districts need assistance.

However, we are so short on funding, the House passed Labor/HHS/Education Funding bill for the Elementary Secondary Education Act, and we are \$8 billion short of the authorized level. Just in Title I alone for next year, we should be appropriating \$18.5 billion which was authorized, and we appropriated only \$12.35 billion. That's about 30 percent short of the authorization level. And I think we try to close that gap between the authorization and the appropriations. I think today's hearing will shed important light on many of these issues.

Today's panel of witnesses is a really an excellent place in which to start our discussions, and I thank the Chairman for assembling experts on this field. It is my hope that we can work on a bipartisan basis, as we have done up to this point, and that's, I know, the wish of both Mr. McKeon and myself. And your help will help us achieve that.

I yield back the balance of my time.

Chairman MCKEON. Thank you, Mr. Kildee.

Now, I would like to introduce our witnesses. First, we will hear from Dr. Fonte, President of the Austin Community College in Texas. Previously, he served as the Assistant for Workforce Education to Governor Edgar of Illinois and as President of South Suburban College in Illinois. In addition, he is a member of the Executive Committee of the Texas Association of Community Colleges and serves on the American Association of Community Colleges Ad Hoc Task Force for Reauthorization of the Higher Education Act.

Ms. Milano is the Executive Director of the National College Access Network, a nonprofit alliance of privately funded college access programs. In addition, she also serves as the Chief Executive Officer of the Ohio College Access Network. Previously, Ms. Milano worked for 14 years as the Executive Director of Cleveland Scholarship Programs, an independent, nonprofit, college selection, financial aid counseling, and scholarship organization in Cleveland, Ohio.

Ms. Flack is the Deputy Commissioner of the Texas Higher Education Coordinating Board. Prior to her current position, she directed governmental relations and public information for the board. Ms. Flack has been involved in the activities of State government and in particular, the State legislature for nearly 22 years. Aren't you glad you are not there now?

Dr. Mitchem is the President of the Council for Opportunity and Education, a nonprofit organization that focuses specifically on assisting low-income students to enter college and serves as a link between Federal TRIO programs and the institutions of higher education. Prior to his current position, he served on the history fac-

ulty at Marquette University and as Director of the Education Opportunity Program.

Mr. Dreyfus is the President and Chief Executive Officer of ECPI College of Technology, which consists of 14 campuses in Virginia, North Carolina and South, Carolina. Previously, he served for 9 years as the Executive Vice President at ECPI. Mr. Dreyfus also serves as Vice Chairman of the Career College Association, is President of the Virginia Career College Association, and a member of the Steering Committee for the Governor of Virginia's Higher Education Summit.

Welcome. We are happy to have you all here. I think you know how those little lights work. You have 5 minutes to summarize your testimony. Your complete testimony will be included in the record. When you begin, the green light comes on, and when you have a minute, left the yellow light comes on, and when your time is up, the red light comes on.

And, we are now happy to hear from Dr. Fonte.

**STATEMENT OF DR. RICHARD FONTE, PRESIDENT, AUSTIN COMMUNITY COLLEGE AND MEMBER OF THE BOARD OF DIRECTORS OF THE AMERICAN ASSOCIATION OF COMMUNITY COLLEGES**

Dr. FONTE. Thank you, Chairman McKeon, Ranking Member Kildee, members of the Subcommittee. Good morning.

My name is Richard Fonte. I am the President of the Austin Community College in Austin, Texas. The college enrolls 30,000 students, has six campuses and is located in six counties, including that of one of the members of your Committee, Congressman Carter. We are simultaneously an urban, suburban, and rural community college. I also serve on the Board of Directors of the American Association of Community Colleges, the AACC. I am pleased to be here representing the AACC.

Increasing access to affordable, high-quality higher education was the driving force that really created AACC's member institutions and remains the cornerstone of community colleges.

No discussion of access to higher education is complete without considering community colleges. Community colleges are known as "open access" institutions of higher education. In its simplest term, this refers to community college policies that welcome all who seek to continue their education beyond high school. However, access means more than just open enrollment, as I will explain.

Community colleges pride themselves as offering high-quality instruction at low tuition. But, as Subcommittee members know, needy students require significant amounts of Federal financial aid to be able to attend. The Higher Education Act makes an essential, irreplaceable contribution to access through its student aid programs. Today, 1.6 million community college students receive a Pell Grant, a figure that has risen significantly since the beginning of the economic downturn. The Pell Grant's purchasing power, however, has eroded. Even with community colleges low tuition, the average unmet need for low-income students averages \$3,200. This gap can be especially daunting to a potential first-generation, first-year student who is highly unlikely to even consider a loan to finance their education. Congress should reaffirm its commitment to

the Pell Grant program by doubling the authorized maximum award over the next 5 years. This would ensure that the Pell Grant continues to provide access to higher education for the neediest students.

Campus-based programs also need a renewed commitment. Open access requires that postsecondary educational opportunities are available when, where and in the form they need it. Yesterday's nontraditional students are generally the norm at community colleges, and they require many different modes of success.

Distance education is vital to making postsecondary education more widely available. Last fall, for example, Austin Community College offered more than 150 Web-based courses, in addition to cable courses and interactive videoconferencing courses, serving 5,500 students at our college.

The reauthorized HEA needs to reflect the dramatic growth of distance education. The 50 percent rule, which limits the amount of distance education courses that institutions may offer, should be changed to give the Secretary of Education waiver authority for institutions that have or are about to exceed this limit. While relatively few institutions are near this threshold today, probably many more will approach it over the next 5 years. Our economy demands that increased numbers of students enroll and persist in higher education. Texas's "Closing the Gaps" higher education access initiative, which I know you will be hearing about more in a few seconds, seeks to increase participation in higher education by 500,000 students each year by 2015, including some 300,000 students who would normally be viewed as not traditionally attending higher education, based upon past demographic trends.

Seventy percent of these new students will attend a community college. And, by the way, this has profound economic impact on the future of Texas and the economy of our State if we are to have the levels that we need attending college and completing college. Outreach to minority students is critical in this regard. Community colleges enroll 46 percent of all African-American undergraduate students and 55 percent of all Hispanic students. Unfortunately, these two groups attend and complete college at a lower rate than the Anglo population. This trend in participation and access must be changed if we are to have the intellectual capital to meet the economic needs of the 21st century. Open Access must include active efforts to reach out to those who have not otherwise been inclined to consider higher education. For this reason, AACC strongly supports the TRIO and GEAR UP programs which aim to increase postsecondary participation.

Maintaining Open Access, in the current economic and fiscal situation, is increasingly challenging. Almost everywhere community colleges face State budget cuts and rising enrollments. As public resources decrease, Open Access is threatened in two principal ways, increased tuitions and/or reduction in services. Since community colleges raise tuitions as the very last resort, many have been forced to decrease the number of seats available in particular programs, or to eliminate them all together. Some areas have been considering enrollment caps and other measures that are an anathema to the basic community college commitment to access.

The States' fiscal conditions are not projected to improve any time soon. A strengthened commitment to Federal programs that increase student access, now more than ever, is very important. If the Subcommittee members keep this in mind as they reauthorize the HEA, their efforts will be successful.

Thank you for your consideration.

Chairman MCKEON. Thank you.

[The prepared statement of Dr. Fonte follows:]

**Statement of Dr. Richard Fonte, President, Austin Community College and Member of the Board of Directors, American Association of Community Colleges**

Chairman McKeon, Ranking Member Kildee, members of the Subcommittee, Good morning. My name is Richard Fonte and I am President of Austin Community College in Austin, Texas. Austin Community College is a community college with 30,000 students, 6 campuses and located in six counties. We are simultaneously an urban, suburban and rural community college.

I am proud to serve as a member of the Board of Directors of the American Association of Community Colleges (AACC). I am pleased to be here this morning to speak on behalf of AACC on the topic of access to higher education. AACC counts approximately 1,100 of the nation's community colleges as its members, and serves as their primary voice before Congress, the federal agencies, and the public.

Increasing access to affordable, high-quality higher education was the driving force behind the creation of AACC's member institutions, and remains the cornerstone of their mission today. The potential effect on student access enters into nearly every key decision made on our campuses.

No discussion of access to higher education is complete without considering the role of community colleges. Nationwide, approximately 44% of all undergraduates are enrolled at our institutions. Community colleges are vital entry points into higher education for traditionally underserved populations, including minorities and economically disadvantaged students. Approximately five million more enroll in non-degree courses at our institutions, for anything from upgrading technical skills to adult basic education and English as a Second Language (ESL).

Community colleges are known as "open access" institutions of higher education. In its simplest sense, this term refers to policies maintained by community colleges that welcome all who seek to continue their education beyond high school. We believe, however, that "access" goes well beyond enrollment policies. It encompasses a wide array of activities that contribute to increased success for the largest number of students. We define success as the attainment of personal goals and the realization of individual potential. In turn, these successes benefit the broader society and economy. The initiatives undertaken on our campuses, in partnership with federal, state and local public entities, make access to higher education a reality.

From the community college perspective, access includes the following:

- *Providing students with the necessary financial resources.* Community colleges pride themselves on offering high quality instruction at a low cost. Behind our low tuition lies our ability to deliver education for less than other types of institutions. Keeping costs low, and maintaining affordability, is a watchword of our institutions. Even so, needy students still need substantial assistance to attend community college. In that regard, there is no substitute for the Higher Education Act (HEA). The HEA's student aid programs, particularly the Pell Grant program, continue to play a pivotal role in creating access to community college. Pell Grants are the building block of access for financially disadvantaged community college students. About 1.6 million community colleges students now receive a Pell Grant. This number has burgeoned in the last three years, and, significantly, the largest percentage increase has taken place in the category of "independent students with dependents" that is, people who have families and are almost always going back to our colleges for job-related reasons. When economic times are bad, community colleges become more important than ever; postsecondary education is what economists call a "counter-cyclical industry."

The Pell Grant remains the most effective vehicle for helping needy students to access college, despite the fact that its purchasing power has eroded over time. We cheer Congress's strong bi-partisan support for the program. However, the current maximum Pell Grant of \$4,050 is still well short of the average annual cost of attendance of \$9,081 for a full-time student at a public two-year college. Even with our low tuition, the unmet need for low-income students at

public community colleges averages \$3,200, according to the Advisory Committee on Student Financial Assistance's report *Access Denied: Restoring the Nation's Commitment to Equal Education Opportunity*. This gap can be especially daunting to a potential first year student from a family who has never had a family member attend college. Such a student, I might add, is highly unlikely to even consider a loan to finance their education.

Over the next decade college enrollment is expected to increase by 14%, of which 80% will be minorities, one-fifth of whom will live below the poverty line. For these students Pell Grants will be a critical factor in expanding access to higher education.

Congress should reaffirm its commitment to need-based financial aid by endorsing significantly higher Pell Grant and other student aid funding. This is especially important in light of federal tax education policies which, regrettably, do not generally target the neediest students, as well as states' alarming movement away from need-based aid. The authorized maximum Pell Grant award should be doubled over the course of the next HEA reauthorization. Obviously, doubling the authorized maximum obviously will not guarantee greater funding. However, it would signal to appropriators that financially disadvantaged students need significantly more grant aid. AACC also recommends changing the Pell Grant award rules so that needy students attending the lowest-cost institutions still qualify for the maximum Pell Grant. These students' total cost of attendance remains well above the maximum Pell Grant award.

- *Making postsecondary education available where and when students need it.* Open access can never be achieved if postsecondary educational opportunities are not available to students when, where, and in the form they need it. The average community college student is 29 years old, and nearly two-thirds of our students are enrolled part-time. Approximately half of community college students work full-time. Many community college students are supporting families of their own, often by themselves. Yesterday's non-traditional student is generally the norm at community colleges.

With over 1,100 institutions nationwide, a community college is often within easy reach, but that fact alone does not satisfy the demand for readily available postsecondary options. Community colleges are pioneers in offering flexible class schedules, including night and weekend classes and ongoing enrollments, where a new term starts every few weeks, rather than a few times a year. Classes are offered in various places beyond the confines of the campus, including local community locations, local high schools, and at job sites, frequently through on-the-job training specifically tailored to the needs of employers.

Furthermore, over one-third of community colleges are located in rural areas, where geographic distance from campus is often a major deterrent to pursuing postsecondary education. Developing innovative approaches to extending the reach of educational options is especially important in these areas.

Distance education has become an essential tool in making postsecondary education more widely available. The number of course offerings offered via "distance education," a catchall term encompassing a number of different technologies, is rapidly increasing at community colleges. For example, last fall Austin Community College offered more than 150 web-based courses, in addition to cable courses and interactive videoconferencing courses, serving 5,500 students.

The reauthorized HEA should reflect the increasing role of distance education. Specifically, AACC recommends modifying the "50% rule" that limits the amount of distance education courses that institutions may offer by giving the Secretary of Education waiver authority for institutions that have, or are about to, exceed this limit. While relatively few institutions are near this threshold today, that situation could change rapidly during the course of the next reauthorization. Many parties are calling for eliminating the 50% rule altogether. While we respect this perspective, we think that an ounce of caution up-front may well prevent a pound of scandal later. Congress may choose to delineate the criteria that the Secretary would use in reviewing requests to exceed the 50% threshold.

- *Outreach to and support of underrepresented populations.* 80% of jobs in the 21st century will require at least some postsecondary education, and meeting that percentage will require all of us to make a concerted effort to increase the number of students enrolling and persisting in higher education. In Texas, under the statewide "Closing the Gaps" higher education access initiative, we estimate that, by 2015, we need to increase participation in higher education by 500,000 students each year, including some 300,000 students who would not traditionally attend based upon past demographic trends.

In fact, Texas officials estimate that failure to achieve these greater levels of participation will have dire economic consequences. It is projected that average household income in Texas would decline by \$4,000, if higher participation in college is not achieved. A less educated population makes less income and thus the waste of human resources has adverse, aggregate economic consequences.

Reaching out to first-generation college students is crucial, and here community colleges play an important role. More than half of all community college students come from families where neither parent attended a postsecondary educational institution, a higher percentage than any other sector of higher education. Again, in Texas, it is assumed by higher education officials that 70% of all the new students we need to close the gap in access will attend a community college.

Outreach to minority students is an especially critical facet of this overall effort. As our society becomes increasingly diverse, we must do better at enrolling greater percentages of "minority" populations. Community colleges pride themselves on being the "Ellis Island of higher education," enrolling 46% of all African-American undergraduate students and 55% of all Hispanic students. Unfortunately, currently these two groups attend and complete college at a lower rate than the Anglo population. This trend in participation and access must be changed if we are to have the intellectual capital to meet the economic challenges of the 21st century. "Open access" must go beyond a passive open door policy to include active efforts to reach out to those who might not otherwise be inclined to enter that open door. For these reasons, AACC strongly supports programs like TRIO and GEAR UP that aim to increase and widen enrollments in postsecondary education. In reauthorizing the Higher Education Act, we must continue and strengthen these efforts.

- *Preparing students for postsecondary education success.* Though community colleges maintain open enrollment policies, simply possessing a high school diploma or a G.E.D. is often insufficient preparation to enter a particular community college program with reasonable expectation of successfully meeting the student's educational objective. Most community colleges require an initial assessment of some or all entering students to determine their readiness for particular programs, such as academic university transfer programs or nursing. Students who do not possess all the tools necessary for their chosen program are generally required to take developmental courses to prepare them for success at the college. Students who are reentering formal education after an extended absence especially need these second chances. While the numbers vary from institution to institution, most community colleges report that a substantial percentage of their students of all ages need some remedial coursework. Such developmental coursework is a critical component of increased access and success at community college. In the words of a recent AACC publication authored by Dr. Robert McCabe, former President of Miami-Dade Community College, there is "No One To Waste." Open access also means working with students who may not be educationally prepared at the level that we would like. However, Dr. McCabe has shown that investing in these students may be the most cost-effective one made in higher education.

Community colleges also work closely with secondary schools to help students make the transition to higher education. In more and more places, access to higher education is supported through dual enrollment programs that permit high school juniors and seniors to get a jump start on college. Community colleges are also on the front-line of joint curriculum consultation between college and high school faculty implementing new state education standards for high school students.

With the enactment of the No Child Left Behind legislation in the last Congress and its subsequent implementation, the quality of education at the elementary and secondary levels has commanded much attention. Of course, any increase in quality at those levels would help reduce the number of postsecondary students who need remediation. Improving teacher quality is at the center of these efforts, and community colleges play an expanding role in the preparation, certification, and professional development of elementary and secondary teachers. AACC recommends that the reauthorized HEA include a new national competitive grant program in Title II that focuses on the community college role in these areas. Such a program would help develop additional ways of dealing with the expected massive teacher shortfall. All avenues into the classroom for qualified professionals must be nurtured.

*Additional Challenges To Access*

I wish to conclude with a few words about the challenges that community colleges face in maintaining open access in the current economic and fiscal situation. Nearly across the board, community colleges are facing state budget cuts at the same time they are experiencing rising student enrollments. The average community college receives almost 60% of its revenues from state and local sources. As these public resources decrease or are greatly constrained, open access is threatened in two principal ways: increased tuitions and/or reduction of services.

Since community colleges raise tuitions as a last resort, many have been forced to decrease the number of seats available in particular programs, or eliminate them altogether. These reductions hit high-cost programs first, such as nursing or high technology programs, where there is often the greatest demand for skilled workers. Some areas have been considering enrollment caps and other measures that are anathema to the community college commitment to access.

The states' fiscal conditions are not projected to significantly improve anytime soon. Through anecdotal reports from our members, tuition increases for the upcoming year may be greater than those last year. Again, these increases are a direct result of decreased resources coming to our institutions from state and local governments. If you do not think that these funding reductions lead to public college tuition increases, we respectfully ask you to think again: for the six academic years preceding last fall, community college tuitions increased by an average of just 2.2%. Last fall, in the midst of severe funding reductions in almost every state, tuitions jumped by 7.9%. The relationship could not be clearer. Given this situation, and similar stress affecting all of higher education, the federal commitment to programs that increase student access is needed now more than ever. I urge the committee to keep this in mind as it continues with the HEA reauthorization.

Thank you for the opportunity to present this testimony. I would be pleased to answer any questions that you may have.

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Chairman MCKEON. Ms. Milano.

**STATEMENT OF CHRISTINA MILANO, EXECUTIVE DIRECTOR,  
NATIONAL COLLEGE ACCESS NETWORK, CLEVELAND, OHIO**

Ms. MILANO. Mr. Chairman and members the House Subcommittee on 21st Century Competitiveness, thank you for holding this hearing today on expanding college access in America.

My name is Tina Milano, and I am the Executive Director of the National College Access Network. I am joined here today by trustee Betsy Brand and staff member Kim Kiely.

NCAN is an alliance of community-based, primarily privately supported, college access programs serving students in 46 locations throughout the United States. I will submit a written statement, and you may visit our Website at [collegeaccess.org](http://collegeaccess.org) for more detailed information on each of our programs.

The college access program that may be most familiar to members of the Committee is DC CAP, and that was started by the Washington Post Chairman, Donald Graham, 3 years ago right here in Washington. The goal of this program, DC CAP, and all of the other NCAN member programs is to increase the number of low-income, primarily first-generation students who enroll in and graduate from colleges. College access programs do this by sending staff to work in high schools to offer college admission, career and financial counseling to students and to make sure that the students have enough money to actually pay the tuition once they enroll in college.

Other NCAN members operate College Access Centers, where students of all ages can go to get personal assistance with college admissions, careers and scholarship searches. Through the work of



these community-based programs, thousands of low-income students go to college every year.

NCAN welcomes the focus on college access and the critical need for an educated workforce in our country that has been a recurring theme of this reauthorization of the Higher Education Act. It is really a strange contradiction that while the United States Department of Labor predicts that 90 percent of new jobs in the 21st century will require college training, the Advisory Committee on Student Financial Assistance reports that financial barriers prevent 48 percent of college-qualified, low-income high school students from attending a 4-year college, and 22 percent of them from attending any college at all, within 2 years after high school graduation.

The reauthorization of the Higher Education Act gives Congress the opportunity to consider the rapidly approaching confluence of four factors: The high cost of college, the reduced purchasing power of Federal grants to students, the unreasonably large numbers of students whom guidance counselors are expected to assist (in California, the ratio of students to guidance counselors is approaching 1,000/1) and the dearth of well-paying careers available to those without a college education. I am glad to have the opportunity to talk with you this morning about one possible solution.

Community leaders, most of them successful entrepreneurs, created almost every single NCAN-member program. The way these programs operate is really simple. The staff members provide two things. They provide counseling on financial aid and college admissions and money. Advisors work in high schools and community centers to educate students and their parents about how crucial it is for them to make postsecondary education part of their future. Most access programs also give "last dollar" scholarships or provide gap financing to students who have been accepted into college but whose financial package, including Pell Grants, work-study, loans, and institutional grants fall short of enabling the students to actually attend.

Recently, most of these programs expanded their services to younger students and their parents. The Cleveland program, for example, is working with more than 5,000 middle-school students arranging for them to visit college campuses, making sure they are signing up for the right courses in high school and meeting with parents about how to help their children prepare for college. At the other end of the spectrum, some programs have extended their counseling services and mentoring to students who have enrolled in college and may be at the risk of dropping out.

These programs are data-driven, low-cost, and proven to work for all students. For every dollar access programs give away, they help students leverage another \$12 including the Federal support used to pay their tuition. With just a bit of seed money, it is possible to unleash a community's ability and potential to help its own. With a small amount of Federal funding, NCAN could start many more of these programs.

By increasing Federal student aid and recognizing community-based solutions through programs such as GEAR UP and TRIO, as well as NCAN's model of college access programs, the Federal Government maximizes the synergy created by communities, schools, institutions of higher learning, foundations and local and State gov-

ernments as these organizations work to increase our Nation's college-going rates.

Thank you very much.

Chairman MCKEON. Thank you.

[The prepared statement of Ms. Milano follows:]

**Statement of Christina R. Milano, Executive Director, National College Access Network**

Mr. Chairman and members of the House Subcommittee on 21st Century Competitiveness, thank you for holding this hearing today on "Expanding Access to College in America." By holding this hearing today on "Expanding Access to College in America," you provide a forum to discuss this challenge and highlight solutions.

My name is Tina Milano and I am the Executive Director of the National College Access Network (NCAN). I am also joined today by NCAN Trustee Betsy Brand and NCAN staff member Kim Kiely. The National College Access Network (NCAN) is an alliance of community-based, privately supported, college access programs serving students in 46 locations throughout the country. I have submitted a detailed written statement and you may visit our website at [www.collegeaccess.org](http://www.collegeaccess.org) for information on our members' college access programs.

The college access program that may be most familiar to the members of the committee is DC CAP, started by *The Washington Post* Chairman and CEO, Don Graham, a few years ago right here in Washington. The goal of DC CAP and all of the other member programs is to increase the number of low-income, primarily first generation students who enroll in and graduate from college. College access programs do this by sending staff to work in high schools to offer college admission; career and financial aid counseling to students and to make sure these students have the money they need to pay their college tuition.

Other NCAN members operate College Access Centers where students of all ages can go to get personal assistance with college admissions, careers and scholarship searches. The oldest and largest of these centers is situated in the Boston Public Library. Through the work of the Boston program and other community-based programs, thousands of low-income students enroll in college every year.

NCAN welcomes the focus on college access and the critical need for an educated workforce in our country that has been a recurring theme of this reauthorization of the Higher Education Act. It is a strange contradiction that while the United States Department of Labor predicts that 90 percent of new jobs in the 21st century will require college-level training, the Advisory Committee on Student Financial Assistance, reports that financial barriers prevent 48 percent of college-qualified, low-income high school students from attending a four-year college, and 22 percent from attending any college at all, within two years of high school graduation. According to a recent Harris poll commissioned by the Sallie Mae Fund, those who need financial aid the most say they need more information about how to pay for college.

The reauthorization of the Higher Education Act gives Congress the opportunity to consider the rapidly approaching confluence of four factors: the high cost of college, the reduced purchasing power of federal grants to students, the unreasonably large numbers of students whom guidance counselors are expected to assist (in California the ratio is approaching 1000/1) and the dearth of well-paying careers available to those without a college education. I am glad to have the opportunity to talk with you this morning about one of the possible solutions.

Community leaders, many of them successful entrepreneurs, who wanted to ensure that all young people in their cities and towns had the opportunity to go to college, created almost every NCAN-member program. Many of the programs were modeled after the oldest program in the country, Cleveland Scholarship Programs. The way these programs operate is simple. Staff provides two things—counseling and money.

For many years, these programs targeted juniors and seniors in high school. Advisors work in high schools and community centers to educate students and their parents about how crucial it is for them to make postsecondary education part of their future. Most access programs also give "last dollar" scholarships to students who have been accepted into college but whose financial aid packages including Pell grants, loans, work-study and institutional grants—fall short of enabling the students to actually attend. The backbone of all of these programs is the provision of information to students about why college is necessary and the distribution of last-dollar funding to make college attendance a reality.

Recently, most college access programs expanded their services to younger students and their parents. The Cleveland program is working with more than 5,000

middle-school students—arranging for them to visit college campuses, making sure they are signing up for the right academic courses, and meeting with parents about how to help their children prepare for college. The result of their work is already beginning to appear. For the students who are participating—absenteeism is down and the promotion rate is up. At the other end of the spectrum, some programs have extended their counseling services and mentoring to students who have enrolled in college and who, due to a variety of factors, may be at risk of dropping out of school.

The idea of this public/private partnership resonates with many. Earlier this year, I spoke with the US Conference of Mayors Education Committee who adopted a resolution encouraging mayors to create and support college access programs in their cities. In Ohio, Governor Taft has lead the way to fund expansion of local programs through the Ohio College Access Network. In a little over a year and half, Ohio has increased the number of programs from 11 to 30.

This public-private partnership is enormously successful. The return on a community's investment is impressive and the success rate of students is remarkable—70% of them graduate. This compares favorably to the national graduation rate of 53% (National Center of Educational Statistics, IPEDS Graduation Rate Survey, 2001).

These programs are data-driven, low cost and proven to work for all students. For every dollar access programs give away, they help students leverage another \$12 to use to pay their tuition. With just a bit of seed money, it is possible to unleash a community's potential to help its own. With a little bit of seed money from the federal government it would be possible for NCAN to get hundreds more of these programs started throughout the country.

By combining increased federal student aid grants and recognition of community-based solutions through programs such as GEAR-UP and TRÍO, as well as NCAN's model of college access programs, the federal government can contribute to the synergy created by communities, schools, institutions of higher education, foundations, and local and state governments as these organizations work to increase our nation's college going rates.

Thank you for this opportunity to voice our appreciation for the Committee's attention to the important issue of access to higher education for low-income students. I and the members of the National College Access Network stand ready to meet this challenge. At the appropriate time, I am happy to answer your questions and share more about the work of the National College Access Network. Thank you.

Chairman MCKEON. Ms. Flack.

**STATEMENT OF TERI FLACK, DEPUTY COMMISSIONER, TEXAS HIGHER EDUCATION COORDINATING BOARD, AUSTIN, TEXAS**

Ms. FLACK. Thank you, Mr. Chairman, Congressman Kildee, members, thank you for inviting me to testify before you today. I appreciate any opportunity to discuss the Texas master plan for higher education, "Closing the Gaps" and the efforts that we are undertaking in Texas to improve access and reach out to students.

The Coordinating Board adopted "Closing the Gaps" in October 2000, and as we look back on the development of the plan, we now realize that the real question all of the people involved in our planning process asked was, "what was the worst thing that could happen in Texas that education could prevent?" And we realized that, in reality, the worst thing was for the dire predictions that our State Demographer, Steve Murdoch, had made to come true.

Dr. Murdoch has traveled around Texas on a campaign for years to awaken the State to the consequences of a trend that has been continuing for decades. Part of the trend is manifested in the fact that our population has grown much faster than the growth of the number of people we have enrolled in our colleges and universities. In particular, the fastest growing segment of our population, Hispanics, participated significantly lower rate than other groups—despite the fact that Hispanic enrollments in Texas have grown exponentially over the last decade. If we do not change this trend, Texas will gradually become a less and less well-educated State.

And therefore, a less prosperous State with fewer opportunities for all of our people.

In economic terms, to echo what Congressman Kildee said, Dr. Murdoch's projections show that by 2040, median household income in the State of Texas in constant dollars would drop by over \$5,000 from its current level of \$41,000. Multiplied by the number of households projected to be in Texas by 2040, the consequence would be a reduction of over \$60 billion in income annually to our families in the State. So opportunities for our people would contract, the State's economic competitiveness would diminish, and the overall quality of life would drop.

If we cannot change this trend, the only educational category in Texas that will grow by 2040 is the percentage of our workforce that has less than a college education.

It also did not take us long to realize that the trend is aggravated by these large gaps that exist within Texas, and between Texas, and the 10 most populous States in higher education participation, success, and quality.

Ultimately the question became: "Well, how can we prevent that worse thing from happening in Texas?" And the answer became clear. We must close the gaps within Texas and between Texas and other States in higher education participation, success, excellence, and research. We must have a performance system in place to measure whether we are making progress toward accomplishing those goals.

Here is our pocket plan. Clearly, those four goals of "Closing the Gaps" by 2015 cannot be reached unless we also close similar gaps at all levels of education. The Closing the Gaps plan, clearly, rests on a prekindergarten through higher education philosophy.

Of particular interest to the Subcommittee members are the plan's first two goals: Close the gaps in participation rates across Texas to add 500,000 more students, a 50 percent increase, and close the gaps in success by increasing by 50 percent the number of degrees, certificates and other identifiable student successes from high quality programs.

It is important that high quality be maintained. We are not just looking to graduate more students. The plan has three main strategies for achieving the participation and success goals: Improve student preparation for success, affordability, and we must build on the awareness about the importance of higher education to students and their families, promote preparation to enable students to succeed in higher education, and raise and reinforce motivation and aspirations to continue education beyond high school.

The College for Texans campaign is a key effort for accomplishing these strategies. And another key strategy is the fact that we now have the college preparatory curriculum as the default curriculum for our high school students. In other words, for a student to graduate from high school, they must enroll in the college prep curriculum unless their parents and their guidance counselors determine that it is not appropriate for those students. The campaign embraces the notion that we have to get students prepared, but the single objective of the campaign is to bring the approximately 300,000 missing people, as Dr. Fonte referred to them, who would

otherwise not enroll in higher education by 2015 into our colleges and universities and have them prepared to succeed.

The campaign is being pursued along two lines. One is the traditional marketing and advertising effort, but the other is a grassroots outreach effort to connect organizations and persons across the State in a common campaign to reach the people who would otherwise be missing and anyone who influences their behavior, and I do mean anyone. And to provide information, build aspirations and reinforce motivation to assist them in preparing well at every grade level for success in higher education. A fact sheet describing the campaign in more detail is included in your briefing materials.

The theme of the campaign is "Education: Go Get It" and we all wear "Go" pins to remind people that that's the point. One of the most promising efforts that is underway is the establishment of "Go Centers" at high school throughout the State. These centers are a grassroots network of community-based college recruiting centers using student peer educators. The idea is for these G-Force members, as we call them, who are both high school and college students, to create the momentum for other students to go to college. We currently have 48 in development, but that number increases almost daily. And, we have only been actively trying to do this for the last several months. A copy of the brochure describing the "Go Centers" is also provided in your briefing materials. Interestingly, these Centers are funded through a combination of State, Federal and private funds.

This is just one of the many efforts that Texas is engaged in to reach out to students. And, although my time is up, I would be delighted to share information about other efforts that we are undertaking. We believe that "Closing the Gaps" has changed the way we view education in the State of Texas. The State's leadership, our public and higher education communities, business leaders and community-based organizations have all rallied to the call. Establishing a few very compelling critical goals and providing strategies to achieve them, targets to aim for, and a performance system to measure our progress has given Texas a new direction. Achieving the goals will not be easy, but at least we are all moving in the same direction.

Thank you again for inviting me to testify.

Chairman MCKEON. Thank you.

[The prepared statement of Ms. Flack follows:]

**Statement of Teri E. Flack, Deputy Commissioner, Texas Higher Education Coordinating Board**

Thank you for inviting me to testify before you today. I appreciate this opportunity to discuss the Texas higher education master plan, Closing the Gaps by 2015, and the efforts going on in Texas to improve access and outreach for students.

The Coordinating Board adopted Closing the Gaps in October 2000. As we look back on the development of the plan, we now realize that the real question asked by the many people on our planning committees was this: What would be the worst thing that could happen to Texas that education could prevent?

We shortly realized that the "worst thing" would be for the dire projections made by the Texas State Demographer, Dr. Steve Murdock, to come true.

Dr. Murdock for years has traveled around Texas on a campaign to awaken the state to the consequences of a trend that has continued for over a decade. Part of the trend was manifested in the fact that our population has grown faster than the growth of the number of people enrolled in, or graduating from, our colleges and

universities. In particular, the fastest growing segment of the population, Hispanics, participated at a significantly lower rate than other groups despite the fact that Hispanic enrollments in higher education have grown substantially over the last decade. If we do not change the trend, Texas will gradually become a less and less well-educated state, and therefore a less prosperous state with fewer opportunities for all of our people.

In economic terms, Murdock's projections show that by 2040, median household income in our state in constant dollars would drop by over \$5000 (from its current level of \$41,000). Multiplied by the number of households projected in 2040, the consequence would be a reduction of over \$60 billion annually in income. So, opportunities for our people would contract, the state's economic competitiveness would diminish, and the overall quality of life would drop.

If we cannot change the trend, the only educational category in Texas that would grow by 2040 would be the percentage of our workforce that has less than a college education.

It also did not take long for us to realize that the trend is aggravated by the large gaps that exist within Texas and between Texas and the 10 most populous states in higher education participation, success, and quality.

So ultimately the question became: How can we prevent the "worst thing" from happening to Texas? The answer became clear: we must close the gaps within Texas and between Texas and other states in higher education participation, success, excellence, and research. And, must have a performance system in place to measure whether we are making progress towards accomplishing the goals.

Clearly, those four goals of closing the gaps by 2015 cannot be reached unless we also close similar gaps at all levels of education. The Closing the Gaps plan, clearly, rests on a pre-kindergarten through higher education philosophy.

Of particular interest to the Subcommittee are the plan's first two goals: Close the Gaps in Participation rates across Texas to add 500,000 more students, and Close the Gaps in Success by increasing by 50 percent the number of degrees, certificates, and other identifiable student successes from high quality programs.

The plan has three main strategies for achieving the participation and success goals: (1) improve student preparation for success; (2) affordability; and (3) build awareness about the importance of higher education to students and their families, promote preparation to enable students to succeed in higher education, and raise and reinforce motivation and aspirations to continue education beyond high school.

The College for Texans campaign is a key effort for accomplishing these strategies. The single objective of the campaign is to bring the approximately 300,000 people, who would otherwise be missing from higher education in 2015, into our colleges and universities and have them prepared to succeed.

The campaign is being pursued along two lines. One is a marketing and advertising effort. The other is a grassroots outreach effort to connect organizations and persons across the entire state in a common campaign (1) to reach the people who would otherwise be missing and anyone who influences their behavior, and (2) to provide information, build aspirations, and reinforce motivation to assist them in preparing well at every grade level for success in higher education. A fact sheet describing the campaign in more detail is included in your briefing materials.

The theme of the campaign is "Education: Go Get It." One of its most promising efforts is the establishment of Go Centers at high schools throughout the state. These centers are a grassroots network of community-based college recruiting centers that use student peer educators. The idea is for these "G-Force members" (who are both high school and college students) to create the momentum for other students to go to college. We currently have 48 in development but that number increases almost daily. A copy of a brochure describing the Go Centers is provided in your briefing materials. These centers are being funded through a combination of state, federal, and private funds.

This is just one of many efforts Texas is engaged in to reach out to students. Although my time is up, I would be delighted to share information about other efforts. We believe that Closing the Gaps has changed the way we view education in the state of Texas. The state's leadership, our public and higher education communities, business leaders, and community-based organizations have all rallied to the call. Establishing a few very compelling goals, and providing strategies to achieve them, targets to aim for, and a performance system to measure our progress has given Texas a new direction. Achieving the goals won't be easy, but at least we are all moving in the same direction.

Thank you for inviting me to testify. I would be happy to answer any questions you have.

Chairman MCKEON. Dr. Mitchem.

**STATEMENT OF DR. ARNOLD MITCHEM, PRESIDENT, COUNCIL FOR OPPORTUNITY IN EDUCATION, WASHINGTON, DC**

Dr. MITCHEM. Chairman McKeon, Congressman Kildee, members of the Subcommittee, I very much appreciate the opportunity to testify on the subject of Expanding Access to College in America: How the Higher Education Act Can Put College Within Reach.

My name is Arnold Mitchem. I am President of the Council for Opportunity in Education. The council is an organization of over 900 colleges universities and agencies. It was organized in 1981 to promote the interest of low-income students, first-generation students and disabled students aspiring to attend and succeed in college. Our particular legislative concern is the Federal TRIO programs.

Mr. Chairman, thinking retrospectively, while we have as a country made substantial progress in terms of access since 1965, we at the same time must recognize that there are still real gaps and inequalities. With this recognition, we can use the opportunity of this eighth reauthorization of the Higher Education Act to rededicate ourselves to the goals and challenges laid out to us by President Johnson in 1965 and President Nixon in 1972.

In short, we have to begin to close long-standing gaps between income groups in terms of access and attainment. Second, let me suggest that this Subcommittee consider modeling the legislative strategies of 1972 which developed a coherent long-range plan to maximize opportunity for all income groups.

Today, unlike 1972, it does not require the creation of any new program to attempt to accomplish this plan. Instead, I would suggest that what we need to do is to use this reauthorization to adopt a set of realistic and measurable access and attainment goals such as, reducing specific gaps between income groups by 1 percentage point a year, all to be accomplished over the next 5 years, covered by this reauthorization.

Now, let me hasten to add that by proposing benchmarks, I am in no way suggesting that Congress alone should hold itself accountable for accomplishing these goals. Congress can set the tone, of course, provide resources, of course, and provide some direction. But all of the stakeholders, including the States, college presidents, TRIO and financial aid administrators have to be held responsible in the final analysis.

So as a starting point in the discussion, I am suggesting three goals to improve access and attainment: First, we should move to reduce the gap in postsecondary enrollment rates between high school graduates from low-income families and other high school graduates. Here I am not arguing that every high school graduate should go immediately into postsecondary education, but I am saying that differences in college entrance rates should not be related to family income. You will note in Table 1 of my testimony, Mr. Chairman, that only 54 percent of low-income high school graduates go on to postsecondary education, while 75 percent of non low-income students enter postsecondary education.

Second, we should move to reduce the gap in immediate enrollment in 4-year colleges between low-income high school graduates

earning A's and B's and other high school graduates earning A's and B's.

Third, we should move to reduce the gap in degree attainment between low-income students who enter college desiring to earn a baccalaureate degree and other students who enter college with that same goal.

Finally, let me highlight the role of the TRIO programs in achieving these three goals. TRIO, as you know, became an integral part of the Federal strategy for achieving equal educational opportunity in 1972 because policymakers then recognized that financial aid is essential, but not sufficient in implementing the Federal strategy of removing barriers to access achievement and attainment. We have learned since that mobility and success of low-income students is a complex and difficult task and the TRIO programs take two approaches, the precollegiate programs, as well as the college-based programs. The precollegiate programs are Upward Bound and Talent Search. And EOC provides a mix of services including information, guidance, tutoring, supplemental instruction and work with parents. The college-based programs, like Student Supported Services and McNair, provide prefreshman summer programs, mentoring, tutoring, learning communities and more recently, academic advising and the College Enhancement Initiative, which deals with unmet financial need.

Let me close by saying that we have been assured in the last 20 years that TRIO works because there has been in place an accountability mechanism known as Prior Experience. The Department allocates up to 15 points for applications competing for TRIO funds. These criteria are outcome-based. In the case of Student Support Services, for example, four points can be earned and assigned by the Secretary, if a 4-year institution, to the extent to which project participants in that program graduate from college. In the case of 2-year institutions, they can get up to four points to the extent to which project participants either graduate, that is get an Associate of Arts Degree, or transfer to a 4-year institution.

Mr. Chairman, I think these kind of objectives and outcome goals fit into the benchmarks that I have proposed. Again, thank you for your consideration, sir.

Chairman MCKEON. Thank you.

[The prepared statement of Dr. Mitchem follows:]

**Statement of Arnold L. Mitchem, President, Council for Opportunity in Education**

Chairman McKeon, Congressman Kildee, Members of the Sub-committee; I very much appreciate this opportunity to testify on the subject of Expanding Access to College in America: How the Higher Education Act Can Put College Within Reach. My name is Arnold Mitchem and I am President of the Council for Opportunity in Education. The Council is an organization of over 900 colleges, universities and agencies. It was founded in 1981 to advance the interests of low-income students, first-generation students and disabled students aspiring to attend and succeed in college. Our particular legislative interest is the Federal TRIO Programs.

The academic degrees that it took me several decades to earn hang in a place of honor in my home. But next to them, also in a place of honor, hangs my father's high school diploma. I placed it there because I wanted to remind my children—and perhaps more importantly myself—that my educational accomplishments rested on his struggles and the struggles of others who came before.

As Congress and the higher education community begin to focus on access during this eighth reauthorization of the Higher Education Act, I think that all of us would



do well to examine its foundation and to look from where we have come. When President Lyndon Johnson signed the Higher Education Act into law on November 8, 1965 in San Marcos, Texas he focused on the 1.3 million young people who had graduated from high school the previous year and had not entered college. And he urged those attending that ceremony to:

“Look into the faces of your students and your children and your grandchildren . . . tell them that a promise has been made to them. Tell them that the leadership of your country believed it is the obligation of your nation to provide and permit and assist every child born in these borders to receive all the education that they can take.”

Five years later on March 19, 1970, President Richard Nixon sent his higher education message to Congress. The deliberations responding to that message resulted in the authorization of the Pell Grant program. In that message, President Nixon again focused on inequities that existed in American citizens’ chances to attend college and the nation’s responsibilities to address those inequities:

“No qualified student who wants to go to college should be barred by lack of money. That has long been a great American goal: I propose that we achieve it now... Something is basically unequal about opportunity for higher education when a young person whose family earns more than \$15,000 a year is nine times more likely to attend college than a young person whose family earns less than \$3,000. Something is basically wrong with Federal policy toward higher education when it has failed to correct this inequity and when government programs...have largely operated without...a coherent long-range plan.”

In 1972, the Congress did examine the premises of higher education policy and—with the establishment of the Pell Grant Program—complimented by SEOG, Work-Study, loans and the Federal TRIO Programs—developed a coherent long-range plan to maximize opportunity. And that plan has worked. The number of students participating in postsecondary education immediately after high school graduation has increased in the past thirty years and this increase has occurred across income levels. For example, in 1998 almost half of all low-income high school graduates immediately enrolled in college, a percentage twice as high as it was in 1972.

But much remains to be done to assure a level playing field, particularly because longstanding gaps with regard to higher education opportunities between higher and lower income groups have not diminished dramatically. As each of you stressed during the recent reauthorization of the Elementary and Secondary Education Act in the historic *No Child Left Behind* legislation—a coherent plan requires accountability and benchmarking. An important component of the 2004 Higher Education reauthorization could be ensuring such accountability.

During this Reauthorization, let us set for ourselves some realistic, measurable goals. As a starting point of discussion, I would suggest that goals be agreed upon in three areas:

- America should move to reduce the gap in postsecondary enrollment rates between high school graduates from low-income families and other high school graduates;
- America should move to reduce the gap in immediate enrollment in four-year colleges between low-income high school graduates earning A’s & B’s and other high school graduates earning A’s and B’s; and
- America should move to reduce the gap in degree attainment between low-income students who enter college desiring to earn a baccalaureate degree and other students who enter college with that same goal.

Reducing the gap by one percentage point a year—five points over the years covered by the reauthorization—may be an appropriate goal. I have attached charts that suggest current differences between low-income students and other students in each of these areas—and the targets I am proposing. But before I speak to what the TRIO Programs can and should do to help our nation achieve these goals—or other goals that emerge from your deliberations—let me clarify two points.

- First, I am not suggesting that every high school graduate immediately go on to postsecondary education, or that every A & B student go to a four-year college; or that every student who begins college with a goal of a bachelor’s degree should earn one. What I am saying is let us work to assure that:
  - differences in college entrance rates,
  - differences in four-year college entrance rates among our academically strongest students,
  - and differences in college graduation rates are not a result of family income or factors directly related to family income.
- Second, in proposing benchmarks to be accomplished during the five years of this upcoming reauthorization, I am not suggesting that Congress alone should

hold itself accountable for accomplishing these goals. As President Johnson noted, "The federal government has neither the wish nor the power to dictate." What I am putting forward is that all of us together as a nation—the federal government, states, college presidents and administrators (regardless of sector), lenders, financial aid administrators, TRIO staff members, and students—hold ourselves accountable for planning to reach these targets—and effectively reaching them.

It is critical that access and opportunity for low-income students be the focus of your deliberations during this reauthorization and that that your focus is not lost among the very real and complex details of everything from loan consolidation, to loan limits, to needs analysis.

*TRIO's Pre-College Programs—Educational Opportunity Centers (EOCs), Talent Search, and Upward Bound—Assist Low-income Students in Preparing for and Enrolling in Postsecondary Education.*

TRIO's Pre-College Programs serve over 450,000 youth "both in-school and out of school youth—and over 215,000 adults and assist them in preparing for college, applying for college, and applying for student financial aid. TRIO Programs also involve students' families in the college preparation process. Through workshops, meetings with family members, and one-on-one counseling that begin as early as the sixth grade, EOCs, Talent Search, and Upward Bound assist students and their families in navigating the road to college. TRIO Programs are there to assure students and families that funds are available to finance their college education, to make sure they enroll in challenging college-preparatory courses, and to provide academic assistance through tutoring, supplemental courses, and summer programs to fill in any gaps in the student's academic preparation.

*TRIO's Pre-College Programs Assist Low-income and First-Generation Students in Setting and Achieving High Goals.*

When the Higher Education Act was authorized in 1965, our view of the obstacles facing low-income students was less clear than it is today. Inequities in educational preparation related to income were less obvious. Other obstacles faced by many low-income and first-generation students such as lack of information and lack of peer and family support were not well understood. Committee hearings and studies related to *No Child Left Behind* provide a thorough grounding in the non-financial obstacles that low-income, first-generation and disabled students face in preparing for college. Schools alone cannot assist disadvantaged youth in maintaining high aspirations and developing the competencies to achieve those aspirations. They need informed, intrusive and caring support and information from the whole community, and TRIO Programs have historically become a vital link in that support

*TRIO's College Programs—the Ronald E. McNair Post-baccalaureate Achievement Program and Student Support Services—Assist Students in Remaining in College through Graduation and Achieving their Career Goals.*

Low-income students who enter college intending to complete a four-year degree have about a 75% chance of earning a baccalaureate degree as their more affluent peers. Numerous factors contribute to student attrition—from the competing demands of work (a national study of TRIO college students, for example, found that the average student worked over 25 hours each week), to gaps in academic preparation, to lack of confidence. But TRIO services have been shown to be very effective in increasing retention—from 40% to 49% through the third year. TRIO's college programs—Student Support Services and McNair—provide these vital services to over 200,000 students annually. But funding currently places unacceptable levels on the number of students that can be reached. Typically Student Support Services projects currently serve fewer than 500 students and in California alone there are more than 37 colleges that enroll over 1,000 Pell recipients who could benefit from such support. In my view, Congress must seriously consider how best to protect its student aid investment by assisting institutions in ensuring greater student success. TRIO's Student Support Services programs provide critical assistance in this area. They couple supportive services with Pre-freshman summer programs and appropriate financial aid to successfully increase student retention rates.

The Council for Opportunity in Education believes that two hallmarks of the TRIO authority must be preserved during this Reauthorization. The first is the class-based nature of TRIO targeting. In deliberations preceding the 1980 Reauthorization of the Higher Education, TRIO professionals came together in meetings across the country to make recommendations regarding the focus of TRIO. At that time, and before every reauthorization thereafter, the TRIO community has stood behind current eligibility criteria and resisted efforts to focus TRIO services on spe-

cific racial or ethnic groups or regions of the country. We ask the Committee to maintain that element of program integrity.

I also want to point out that since 1980, the Prior Experience provision in the TRIO legislation has provided an accountability mechanism for institutions and agencies that receive TRIO funds without keeping other institutions from sponsoring TRIO Programs. New applicants for TRIO funds have a better chance of being funded than the same would have in applying for other Department of Education administered programs. For example, on average over the last three years of grant competitions, a "new applicant" has had a 38% chance of receiving a TRIO grant. The same college's chance of being funded as a new applicant would only be 19% in either the Title III, Part A Program or GEAR UP. We ask, too, that you protect Prior Experience in your deliberations.

President Bush, the full Committee and the entire nation are justly proud of the distance traveled in *No Child Left Behind*. And we collectively through our elementary, middle, and high schools acknowledge and accept that important responsibility. Higher education has a somewhat different responsibility, however. Colleges and universities must not only leave no American behind, they must also, through the creation and transfer of knowledge, continue to move entire generations forward to a better life. By addressing the non-financial barriers to access and success in college, TRIO Programs assure that students from low-income families, students with disabilities, and students who are in the first-generation in their family to attend college have access to the mobility that only higher education affords. In our knowledge-based, global economy, the importance of such education can only increase.

The Council and the TRIO community look forward to working with the Subcommittee throughout the reauthorization process to strengthen and improve TRIO and other student assistance programs. I appreciate this opportunity to testify and I would be pleased to answer any questions at this time.

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[An attachment to Dr. Mitchem's statement follows:]

**TABLE 1**  
**Percentage of High School Graduates Directly Entering Postsecondary Education by Family Income**

	Currently	Goal
<b>Bottom Income Quartile</b>	54%	59%
<b>Other Income Groups</b>	75%	75%

*Source: Census Bureau Current Population Survey, P.20, 2000*

**TABLE 2**  
**Percentage of Dependent Postsecondary Students Who Earned A's and B's in High School Enrolling in Four-Year Colleges by Family Income**

Family Income	Currently		Goal	
	A's and B's	Mostly A's	A's and B's	Mostly A's
<b>Below \$25,000</b>	61%	85%	66%	90%
<b>Other Students</b>	72%	90%	72%	90%

*Source: NCES, Beginning Postsecondary Students, Six Years Later, 2003*

**TABLE 3**  
**Percentage of Dependent Postsecondary Students Who Aspire to Baccalaureate Who Graduate Within Six Years by Family Income**

	Current	Goal
<b>Less than \$25,000</b>	44%	49%
<b>\$25,000 -44,999</b>	49%	54%
<b>\$45,000-69,999</b>	60%	60%
<b>\$70,000 or greater</b>	70%	70%

*Source: NCES, Beginning Postsecondary Students, Six Years Later, 2003*

Chairman MCKEON. Mr. Dreyfus.

**STATEMENT OF MARK DREYFUS, PRESIDENT, ECPI COLLEGE OF TECHNOLOGY, VIRGINIA BEACH, VIRGINIA**

Mr. DREYFUS. Thank you, Mr. Chairman, Representative Kildee and members of the Subcommittee for giving me this opportunity to speak about some of the access barriers to higher education.

I speak to you in both my capacity as President of the ECPI College of Technology and affiliates, with 14 regionally and nationally accredited campuses in Virginia, North Carolina and South Carolina, and as Chairman of the Career College Association's Board of Directors.

CCA's 1,100 members educate and support more than one million students each year for employment in over 200 occupational fields. Our institutions cover the full gamut of postsecondary education, from short-term certificate and diploma programs, up to and including doctoral programs.

It is in this capacity I addressed four issues in my written testimony that pose significant barriers to students seeking postsecondary education. I will speak briefly on three. They are obstacles to transfer of credit, limitations in the Federal investment of postsecondary education, and current restrictions to providers of distance education.

Nearly 50 percent of the current postsecondary student population is nontraditional students, nontraditional being defined as the adult learner, nonresidential or members of the military or transfer students. Unfortunately, most Title IV aid programs and regulations were designed for the typical 4-year residential student.

One access barrier is the limitations on transfer of credit. A study by the National Center for Education and Statistics shows almost one-half of all postsecondary students will attend more than one institution. Currently, the higher education community has no incentive to accept credits from other schools. In fact, I believe there is a disincentive since evaluating credits is time consuming and credits transferred reduces the courses taken at the receiving school.

During the 1998 Amendments to the Higher Education Act, Congress instructed the Department of Education to conduct a study on the transfer of credit issue. To date, this study has not been completed.

Therefore, the Career College Association's Foundation commissioned the Institute for Higher Education Policy to study the experiences of students who attempt to transfer credits. The study found significant barriers against transfer of credit from nationally accredited institutions to regionally accredited institutions.

When a student is not permitted to transfer credits, he or she must repeat courses, which costs both time and money to the student and to Federal and State taxpayers.

I strongly believe though that colleges should be allowed to preserve their academic freedom but not at the expense of the student.

I would also ask Congress to continue to make significant investments in postsecondary education and modify regulations to improve options for nontraditional students.

CCA strongly supports Federal programs that allow students to achieve their highest educational goals without excessive debt. Congress should continue its efforts to make significant funding increases to the Pell Grant program and to explore proposals such as the concept of front-loading Federal grant aid to increase assistance during the first 2 years of postsecondary education. Additionally, the Pell Grant program should be modified to allow students who participate in year-round programs to obtain additional grant funding as they complete each academic year, without regard to whether they have crossed over into a new award year. This would help students who are trying to complete their educational programs in the minimum calendar time.

CCA also supports an increase to the subsidized and unsubsidized loan limits, with special emphasis given to students who are in years one and two where assistance is often most needed. Equalizing loan limits across all 4 years and providing access to a Federal loan program for independent students similar to the parent loan program is necessary. Currently, if independent students need to borrow additional funds beyond the current loan limits, the only option is private loans at higher interest rates.

Finally, the current restrictions to providers of distance education; The Congressional Web-based Education Commission recommended a full review and, if necessary, a revision of the 50 percent rule to reduce barriers. However, I share this Committee's concern that in expanding the use of distance education, it is important to ensure a quality education, including a requirement that distance education programs be accredited by an agency specifically approved by the Secretary of Education, and they must demonstrate student achievement, student and faculty preparedness, quality interaction, learning resources, student support services and the integrity of student participation.

Thank you again for this opportunity to speak with you. I would be happy to answer any questions you may have.

Chairman MCKEON. Thank you.

[The prepared statement of Mr. Dreyfus follows:]

**Statement of Mark B. Dreyfus, President, ECPI College of Technology and Chairman, Career College Association**

Thank you Mr. Chairman, Representative Kildee and members of the Subcommittee for giving me this opportunity to speak about some of the access barriers to higher education.

I speak to you in both my capacity as President of ECPI College of Technology and affiliates, with 14 regionally and nationally accredited campuses in Virginia, North Carolina and South Carolina, and as Chairman of the Career College Association Board of Directors.

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It is in this capacity I addressed three issues in my written testimony that pose significant barriers to students seeking postsecondary education. I will speak briefly on three and refer you to my written testimony for the full set of recommendations that we would hope that you would consider during the reauthorization process.

1. Obstacles to transfer of credit;
2. Current restrictions to providers of distance education; and

### 3. Limitations in the federal investment of postsecondary education.

Nearly 50% of the current postsecondary student population is non-traditional students. Non-traditional being defined as the adult learner, non-residential, or members of the military or transfer students. Unfortunately, most Title IV aid programs and regulations were designed for the typical 4-year residential student.

*One access barrier is the limitations on transfer of credit*

A study by the National Center for Education Statistics, shows almost 1/2 of all postsecondary students will attend more than one institution. Currently the higher education community has no incentive to accept credits from other schools. In fact, I believe there is a disincentive since evaluating credits is time consuming and credits transferred reduces the courses taken at the receiving school.

During the 1998 Amendments to the Higher Education Act, Congress instructed the Department of Education to conduct a study on the Transfer of Credit issue. To date, this study has not been completed.

Therefore, the Career College Association's Foundation commissioned the Institute for Higher Education Policy to study the experiences of students who attempt to transfer credits. The study found significant barriers against transfer of credit from nationally accredited institutions to regionally accredited institutions.

When a student is not permitted to transfer credits, he or she must repeat courses, which costs both time and money to the student and to federal and state taxpayers.

I strongly believe colleges should be allowed to preserve their academic freedom but not at the expense of the student.

I would also ask Congress to continue to make significant investments in Postsecondary Education and modify regulations to improve options for non-traditional students.

CCA strongly supports federal programs that allow students to achieve their highest educational goals without excessive debt. The Congress should continue its efforts to make significant funding increases to the Pell Grant program and to explore proposals such as the concept of "front-loading" federal grant aid to increase assistance during the first two years of postsecondary education. Additionally, the Pell Grant program should be modified to allow students who participate in yearround programs to obtain additional grant funding as they complete each academic year, without regard to whether they have crossed over into a new award year. This would help students who are trying to complete their educational programs in the minimum calendar time.

CCA also supports an increase to the subsidized and unsubsidized student loan limits, with special emphasis given to students who are in years one and two where assistance is often most needed. Equalizing loan limits across all four years and providing access to a federal loan program for independent students similar to the parent loan program. Currently, if independent students need to borrow additional funds beyond the current loan limits, the only option is private loans at higher interest rates.

And finally, the current restrictions to providers of distance education The Congressional Web-based Education Commission recommended a full review and, if necessary, a revision of the 50% rule to reduce barriers. However, I share this Committee's concern that any expansion of this rule needs to ensure a quality education through accreditation and other requirements.

Thank you again for this opportunity to speak with you. I would be happy to answer any questions you may have.

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Chairman MCKEON. Many, if not all of you, talked about financing as a barrier. And we know we have Pell Grants; we know we have student loans; we know we have TRIO, GEAR UP and these other financial aid programs. But, they all start fairly low at the front end as a freshman and build as the student gets to retirement. And we have figures that show that an inordinately high number of students drop out in the first year. I have been toying with an idea, and I would like to hear your thoughts on it, of changing the way we make Pell Grants available. In other words, instead of starting low as a freshman and getting higher as a senior, if we started higher with the Pell Grant, if we just reversed that and had the Pell Grant higher at the front end, getting lower

toward the senior year, and then letting the student loan increase, where if a student had to drop out, he would not be left with as big a financial burden. Plus, if we could have a heavier load on the front end with the Pell Grant, if we are talking about a first-generation student or a student that really is a little unsure of his chance to really complete his education, if he could concentrate the first year and not have to worry about finances, spend most of that out of aid money, then as he builds confidence—he or she builds confidence as they go through their curriculum—then they would feel better about investing in themselves and getting their loans at the other end.

So we would have the loans starting lower and building higher, the Pell Grant starting higher and getting lower. How does something like that sound to you? Dr. Mitchem.

Dr. MITCHEM. Mr. Chairman, in 1995 the General Accounting Office did a study looking at the impact and effect of grants on low-income students and discovered there was a very positive correlation in terms of their retention and persistence. I think any proposal and anything you can do to get more grant aid to low-income students would be clearly beneficial. The idea of putting more money in the first 2 years for low-income students, I think, is absolutely sound because indeed many of these students, if indeed they have problems, it is usually in those first 2 years. And when they do drop out, if indeed they are saddled with huge loans, it makes their life even more miserable or difficult. One could argue that their life is worse off rather than if they had not started at all. So anything that could address those issues seems to me would be very beneficial and very important, and I think it is something that we ought to seriously consider.

There are other concerns. And I don't know if indeed—the latter part of your proposal, in terms of reducing it on the junior and senior end, is problematic. But indeed, and from the point of view of low-income students, I think that more money on the front end makes a lot of sense.

Chairman MCKEON. Anyone else have any comments on that idea? Dr. Fonte.

Dr. FONTE. Yes, speaking as an individual community college president, I would strongly support the idea of front-loading. I think, for the reasons stated, that the first-generation, first-time-in college student is very unlikely to take out a loan, and it really becomes a barrier. So if you could reduce that burden at the front end, it would make a huge, huge difference to people. And I would remind you that when there was the hearing that you had in Round Rock, Texas several weeks ago, what was surprising—

Chairman MCKEON. Round Rock, Texas?

Dr. FONTE. —what was surprising was, not only was that supported by community college folks who were in attendance, but it actually was supported by representatives of all sectors who were in attendance at that hearing.

So while you do not normally hear that, I think when you got down to the grassroots and heard from people who deal with the issue on a day-to-day basis of people who are entering higher education what the barriers are I think you saw all those financial aid



directors from all the universities and the community colleges also thinking that it is a fine thing to do.

Surely anything in the final analysis that increases the Pell Grant is important, especially for that incoming first-generation, never-been-in-college student, or no one in the family has ever gone before.

Chairman MCKEON. Thank you. Ms. Milano.

Ms. MILANO. Mr. Chairman, I would have to agree with both of the witnesses because what we see is that students are working enormous numbers of hours while they are in college in their first year, then that transitional year is particularly difficult.

So if they could have additional funding through the Pell Grants through their first and second year, I think you would see the drop-out rate reduced considerably.

Chairman MCKEON. Thank you. My time is up, but Mr. Dreyfus, if you could.

Mr. DREYFUS. OK. Many of the jobs and the technology fields are not going to require a 4-year degree. More and more students need 2-year degrees and those first 2 years become that much more critical. So any increased funding in the first years, I think, would help access for many low-income students.

Chairman MCKEON. Thank you very much. Mr. Kildee.

Mr. KILDEE. Thank you, Mr. Chairman.

Dr. Dreyfus, you mentioned in your testimony the support for raising loan limits. If we are going to entertain raising those loan limits, shouldn't we do something to deal with the high level of student debt, which is becoming an increasing problem? This Committee reported out a bill this year which just passed on the floor for loan forgiveness for those who go into say teaching a math, science, special education or reading. Can we do more on loan forgiveness to help address this question of higher debt, even though you recognize that the expansion of loans could be a positive?

Mr. DREYFUS. I definitely believe the proposal the Chairman made earlier about increasing the first 2 years' Pell Grants would certainly help reduce some of that debt for students. There also may be incentives. We might be able to get corporations to participate if they hire students or get some kind of participation from the community at large, particularly for students that are from low-income areas. They may be able to—once they get out of school—look at the actual track record of that student and see. And, if they are supported and they are in a job, hopefully there would be some kind of a sharing with the company that would help them repay some of that debt as well.

Mr. KILDEE. That's an interesting point. And give a tax incentive maybe for the business who might do that. Congress does that now. Congress just started that, I think this year, where we give some loan forgiveness to our own staff, and I know a number of people on my staff, both back in Michigan and here are taking advantage of that. So that might be something we could look at and maybe give some tax incentive for companies that do assist in paying back those loans.

Dr. Mitchem, it is always interesting and rewarding to work with you, as I have done for a number of years. You talked about making TRIO reach more students. Is it an issue, the fact that they

aren't reaching more students, an issue of program efficiency or more funding overall or a combination of both? If you could address that.

Dr. MITCHEM. Yes, I have enjoyed working with you too, Mr. Kildee, over the years.

The answer is simple. It is a function of resources. We are serving 7 percent, and at this point in time, it may be getting worse. The population we serve is one of the fastest growing populations in the United States in terms of demographics, and so it is just a function of resources. I am afraid there is no other answer.

I think programs are really being stretched to the bone. And, one of the things that we propose is you try to increase the amount of base grants. There have been so many economies and so many efficiencies, that I am afraid that—particularly in our Student Support Services program. It was pointed out by one study, by Westat, several years ago it is going to get to the point that it is going to be so efficient that we are not going to have any service because the gruel has gotten that thin in terms of contacts with students. So I do not think we can go there anymore. I think really it is a function of dollars, sir.

Mr. KILDEE. I appreciate your straight and honest answer on that, which we always get from you.

Dr. FONTE, your testimony mentioned support of waiving the 50 percent rule in certain circumstances. Since there is some interest in eliminating that 50 percent rule, would we need certain protections to prevent abuse? And what might those protections be?

Dr. FONTE. I think the answer is clearly, yes. We think it is an area that is a growing area. We need to recognize it. I think some of the other witnesses mentioned some safeguards. I think it would be appropriate, either the safeguards ought to be put in the hands of the Secretary or if Congress wanted to put them in the legislation, I think it would be fine. Surely, the fact that we have to assure this is quality instruction, either through forms of accreditation and other standards, to assure that the students are learning. We want to make sure we avoid any potential for fraud. Those kinds of things, of course, would be of concern. But, it is clearly a growing area—one that we need to recognize. But, I think you should not simply open the door without some restrictions either. Like I said, either with by allowing the Secretary to do it, or by Congress itself, making sure that there are provisions to assure that.

Mr. KILDEE. If I may, just one follow-up. If the Secretary was granted the power to waiver, would you give them discretion to kind of tailor the waiver?

Dr. FONTE. Yes. Absolutely. I think.

Mr. KILDEE. Thank you very much. Thank you.

Chairman MCKEON. Thank you. Mr. Carter.

Mr. CARTER. Thank you, Mr. Chairman. I want to address this from the side of the consumer, the student. Having been blessed with four children, all of whom have attended institutes of higher education, several of my children have taken courses at Austin Community College. I still have two in college. I think I will have them in college until I am dead. One of them, I like to say, is in the seven-going-on-ten-year program. But, from the parent stand-

point and from the student's standpoint, one of the things that we see, we feel like we see, is that as resources are improved, as the Pell Grants are improved, as they increase the ability to borrow more and more money, it seems that as we raise, you raise. And, constantly the cost goes above what is available and we are seeking more and more resources from the government. The students are overwhelmed with their debt. That is the biggest understatement that's been made here today. What are the institutes of higher education doing to bring down costs? I never hear anybody talking about what we are doing to bring down costs to the students so they can better afford the colleges and universities. Is this distance education going to be something that would be at a level that would be cheaper to a student to obtain an education or at least a portion of his education? Are there any things being done to bring down the costs of education, because it seems like it is growing in geometric progressions? Dr. Fonte, you can start, I guess.

Dr. FONTE. Distance education is clearly one that might help address the facility-building costs. I think that is probably one of the areas. It is not necessarily, you know, in terms of delivery of instruction, a cheaper mode of instruction. In fact, it is, in some cases, more complicated to assure the quality level that we are concerned about. But, clearly, it is a factor in the reduction of facility costs. I think that is important. I think you will find many initiatives that colleges and universities are working on, certain energy-management programs, particularly, that we at our school have undertaken have saved literally millions of dollars.

And you know, it is kind of good news/bad news when you get a reduction in State appropriations. I think you squeeze and you squeeze, and you try to figure out what you can do that does not detract from delivery of services to students. But it is, we think, a very lean period. And, we think we have squeezed a lot. And, we have been forced by the State to try to make sure that we are as lean as we possibly can.

And, as I said earlier, community colleges just hate the concept of ever raising tuition because they know what an impact it makes on access. I think in the last year, we actually had to submit a report to our coordinating board that described every way that we approached the appropriation reduction of 7 percent. We had literally 10 pages of items. I just mentioned one or two. But, I do think that is happening nationally, that the reduction in State funds is actually forcing institutions to scrub every conceivable aspect of their institution together. I think we are feeling we are down to the marrow, so we are concerned about anything future, which is why, obviously, Federal financial aid is so important for access to students. But, we do think we are trying; at least as a sector. Community colleges do the very best we can with the dollars we have.

Mr. CARTER. We clearly have a gap, as Dr. Mitchem was talking about. We have a large sector that we need to encourage to get into higher education. But, encouraging people to get into huge amounts of debt is awfully hard on a lot of people, and many, many of those people struggle with debt from major universities for 20 years paying off that debt.

Dr. FONTE. Low tuition institutions, and we would like to be able to fill that gap that is still missing, and that is really our objective in terms of community colleges' role.

Mr. CARTER. Thank you. That is all I have, Mr. Chairman.

Chairman MCKEON. Thank you.

Mr. Van Hollen.

Mr. VAN HOLLEN. Thank you, Mr. Chairman.

Just to follow up on that question, Dr. Fonte and others, in Maryland just last week we had an announcement from the Board of Regents that as a result of State cutbacks in higher education, tuitions at institutions of higher education were going to increase as much as 21 percent next year, a huge increase, and those changes are going to take place midyear, so students who entered in September at one tuition are all of a sudden facing much higher tuitions. This is an issue that is very much on the minds of not just of the students in Maryland, but around the country.

As you pointed out, community colleges are really—we want to insulate all students from this, but community colleges have been the gateway for students who couldn't afford even bundling various resources together from grants and loans. And so I am especially concerned about the increase in tuition at community colleges. What has been in the last year, 12 months—what has been on average the increase in community college tuitions around the country?

Dr. FONTE. I do not really know across the country, but when community colleges raise tuition, they do not raise it in terms of 10 or \$15, they raise it \$1 per credit hour or \$2 a credit hour. I think there have been increases in Texas. I think generally the increase that I have seen—and we are putting together a budget right now, so we have been looking at this information—is about \$2 or \$3 a credit hour, which essentially means it is about \$10 a course. And, I think that is fairly common, 7.9 percent, I guess, is the percent that I see that AACC has provided. But I think that that is—it is trying to be as little as possible. The percentages may even be not reflective. The dollar amounts are fairly low, but we are trying to keep it as low as possible.

Mr. VAN HOLLEN. As I understood your testimony, the No. 1—the best thing that the Federal Government could do to help community colleges, and it sounds like many others, is to increase the value of the Pell Grant?

Dr. FONTE. Absolutely.

Mr. VAN HOLLEN. With respect to the TRIO programs and the GEAR UP programs, are there any changes in the authorization that would be more helpful, or do you have all the authority you need? Is it a question of resources? Is there anything in the authorization for those programs as you know for—there are a number of subprograms—where you need additional flexibility to allow you to do what you want to do with the resources that you are provided?

Dr. MITCHEM. In terms of the TRIO programs, in terms of the cycle, there are no major proposals that we are venturing forth with. One of the things that would be very helpful, currently TRIO programs are funded on 4-year cycles, and some TRIO programs, if they score very highly, receive funds for 5 years. We would like to extend that benefit to all programs.

Secondly, we would like to increase the base grant of TRIO programs I referenced earlier. We need to get more available money as well as new money into these programs. We think the base grants need to be increased.

And then there is a third recommendation that is coming from our community. Our community feels very, very strong that they would like to somehow participate in some kind of loan forgiveness program like teachers. It is very difficult to attract and retain capable people with a very humanistic bent, and that is where our people are. And many of them have loans, and as has been pointed out here, and Mr. Carter and others have talked about the loan burden, many people working in these programs are experiencing loan burdens, and they would like to participate in some of these loan forgiveness programs as Congress has discussed.

Those are the key things we are seeking in this reauthorization.

Mr. VAN HOLLEN. We have heard testimony from you and in previous hearings about the fact that many low-income and disadvantaged students have a much higher dropout rate in the early years in college and universities. Are these programs, in your estimation—have they been effective in reducing that trend, and what more can we be doing to reduce that dropout rate in the early years?

Dr. MITCHEM. In the case of the TRIO program, they were not specifically designed to address a dropout issue. That is a broader and deeper issue. If you look at the preparatory programs and Upward Bound, it was designed really as a program to get students into colleges and universities. A real serious dropout program, it seems to me, would look more like a Job Corps program than an Upward Bound program. TRIO does not really assume the role of addressing the dropout issue as such. In the case of Upward Bound, as you know or do not know, 90 percent of the students who participate indeed go on to college. They do better than their counterparts in persisting and remaining in college. TRIO programs are not designed to be dropout programs. They are college prep programs to create greater equities in terms of our managerial and leadership and decisionmaking class in this society.

Dr. FONTE. If you mean dropping out of college, clearly college support services—TRIO programs are really important—have been a critical determinant to focus in on those students. I think it is very important to intervene at that point in time. I also do think it is very important that students take the right courses in high school and are prepared, whether or not some variation of that maybe can be done through TRIO. But, I would like to make sure the kind of effort we are trying to do in Texas, which is to encourage students to take a recommended high school curriculum, is something that is done, and there is intervention. If that intervention is not done with the students who in the past have not traditionally gone to college, they will simply be unprepared. They will have to take developmental courses when they come.

So it really becomes important, both the college support services grant of TRIO and anything else that expands that intervention also at the high school level, to make sure the students take the right courses in addition to learning about financial aid, et cetera, et cetera. But, it is really important in the preparation.

Chairman MCKEON. Thank you.

Mr. Keller.

Mr. KELLER. Thank you, Mr. Chairman, and I am going to limit my comments and questions to the Pell Grant program, which I think is one of the single most important programs we have here in Congress.

I have the honor of serving as chairman of the Congressional Pell Grant Caucus. I would not have gone to college but for the Pell Grant program. Listening to Mr. Kildee on the Pell Grant issue, and I certainly know that he shares the philosophy that it is a great program, you would think somehow we have cut this program or not spent enough money. And, I have to tell you, the stats when I was elected in November of 2000, we spent 7.6 billion on Pell Grants. Last week, we spent 12.3 billion. That is a 62 percent increase over the last 3 years, so we have made a historic investment, the largest in the history of the United States, in Pell Grants. That 62 percent increase has only translated in for each student \$3,300 per year back then in November of 2000, so now \$4,050 per year. So the buying power has been a lot less than what we hope for. And, there is one big reason for that, and that is there is a million more children going to college this year than were going then. So we had from 4 million students getting the Pell Grant to 5 million. It spreads the money a lot thinner.

The other challenge I want to talk with you about that has faced students, with respect to the buying power, is that while we have been increasing their grant, 23 percent, the tuition increases have gone up more than that at State universities—so it almost cancels that out. And it is frustrating when you are spending all this money just to see the buying power diminished.

Do you have any thoughts, Dr. Fonte, about what we should do about that situation with the tuition increasing? I know community colleges are not going up that much, but at a rate that almost cancels out the Pell Grant increase?

Dr. FONTE. I do not think I can add anything to what you already said.

Ms. MILANO. Yes. I just would like to say these privately supported college access programs do offer students and provides students with grants to supplement what it is the Pell Grant provides and loans and so on. And, the dropout rate of these students who have just a little bit more money, maybe \$1,000 or \$2,000, is significantly lower than it is for students without these grants. So a big part of the issue is simply money.

Mr. KELLER. But, I am saying if you increase it 62 percent, and it does not mean anything because tuition has gone up. What have we really done?

Ms. MILANO. The State tuition piece of it is killing these students. These increases in college tuition is absolutely killing these students, and we are pricing them out of the market.

Mr. KELLER. Let me go to the second question. The other thing I am wrestling with now as we write this bill, is take a student, for example, who is a premed kid, low-income family, and parents make \$37,000. He is going to get the full \$4,050, but that is not going to be enough to pay for things like room and board. So, he is eligible for the Pell Grant. If he works part time, and he makes

an additional \$9,000 working part time—and, by the way, I think this kid has no business working part time since he is going to be taking organic chemistry and physics, and he needs to be worrying about getting a 4.0 and not worry about washing dishes—but if he takes the initiative and makes \$9,000 to help him pay the bills, guess what? He does not get a Pell Grant anymore. He has priced himself out. That is a challenge, and that was brought to me by my universities in Florida.

Dr. Mitchem, do you have any ideas about how we change this so we do not create a disincentive for ambitious young people?

Dr. MITCHEM. I wish I did, but, no, I do not. It is unfortunate. And, what is even more unfortunate or equally unfortunate is when that young man graduates, he is going to have a huge debt burden. And, he has to borrow more money to go to medical school. And, no, I do not have any answers, sir.

Chairman MCKEON. How about you, Ms. Flack, do you have any ideas about that?

Ms. FLACK. Obviously, the issue that Texas faces is one that you, I think, have eloquently described. And, that is how do we get students that cannot afford to go to college into college, and successfully complete their college education without throwing up obstacles and without throwing up barriers to that success. Certainly barriers—like financial barriers—that, in essence, we might be able to help them overcome.

I want to just make one comment about the increase in tuition and fees. Texas has not gone up as rapidly as some other States because historically at the universities tuition has not been deregulated to a great extent. And, the legislature just this past session that ended on June 2 deregulated tuition for our universities for the first time in history, and they did that primarily because they could not afford to provide adequate support.

What we are seeing since 1989 in Texas is a diminishing share. If you think of the pie of who pays for college, you have government, you have students and their parents, and you have private sources. And what we have seen is a really significant shift in Texas from State support in higher education to the backs of the parents and their students. And, it has been a real dilemma. We have not raised tuition and fees to the extent that other States have seen. And, we are not, at this point, sure how deregulation is going to affect our institutions because we have some that can raise it through the roof, and no one would say anything about it, and we have others who have even in the limited deregulation we have, never been able to raise their fees up to the maximum.

But, part of what the legislature did was it said, “If you want to raise your fees above a certain amount, you have to set aside a certain percentage of that for financial aid. You have to give some of that money back.” And, philosophically, we have some members who are struggling with that because, in essence, you are saying to one student, pay for another student to go to college.

The Pell Grant provides students with an opportunity. To go back to your original comment about the fact that Congress has raised the Pell Grant amount substantially, but institutions have raised tuition and fees, I think most people would say they are very grateful to Congress for having raised it that amount because with-

out that, we would have disadvantaged students significantly more than they do now.

But, I think we cannot ignore the fact that States struggle with providing adequate support to higher education. And yes, Representative Carter, I agree with you. We have to look for efficiencies, and we have to ensure that our institutions do not just raise support. But, what we are finding, what one of the studies that we looked at earlier, is that, in essence, for every dollar lost in State support, you have to raise tuition \$2 to make up for that loss. And, I think that is what some of our States and some of our institutions are facing at the moment. That does not help our guys necessarily, but I want to frame the discussion in a way that would get away from the notion that institutions are just raising their tuition and fees.

Chairman MCKEON. We are kind of up against a time barrier. I know we are going to have some votes here, and we want to get as many Members' questions in before we have to leave.

Mr. Hinojosa.

Mr. HINOJOSA. Thank you very much, Mr. Chairman.

I wish to commend Chairman McKeon and Ranking Member Kildee for assembling such a strong and well-rounded panel of witnesses.

My first question is to my friend Dr. Arnold Mitchem, champion of TRIO programs. Your testimony mentions the amount of time that TRIO students work while attending college, and you all had a dialog with some of my colleagues about trying to maybe get more grants in the freshman and sophomore year, and then maybe looking at how we can help those students in their junior and senior year with loans and jobs. It is my opinion from my own experience that that idea is going to help a lot of students, especially minority students who are accustomed to working. Many are first-generation college students, and we knew what it meant to have to work to get the college education. So if we get the grants in the first and second year, do you agree with me that those students would go ahead and continue their college education third and fourth if we helped them get a job and some loans? Do you think that that strategy that is being discussed this morning is one to follow and progress in this discussion?

Dr. MITCHEM. I appreciate you raising this concern, Mr. Hinojosa. Again, I feel if indeed we can get more money into grant aid in the first 2 years, it will be critically important to students, as I said before. When we go into the third and fourth year, as I suggested, it might be problematic. I think there are some risks in the proposal. One that required a reduction in grant in the third or fourth year, as I said, could be problematic. I think many students, if they were indeed successful in the first 2 years, would find some ways to make it.

Once upon a time, way back in Colorado and circumstances that you and I are both familiar with, people did. Whether the pressures in lives are such now that they still cannot, I am not so sure. So thus, I am saying if we adopt that strategy, I think we have to be careful, cautious and try to provide some safety nets.

Mr. HINOJOSA. Thank you.



My next question is to Dr. Richard Fonte from Texas. You mentioned remediation of students at community colleges. It is my opinion that both State legislators and Federal legislators have a mind-set that putting money into programs where you have low-income students who require the remediation is a mistake, and we don't see the amount necessary to help them transition from needing remediation to those who will just continue on with their college education. And I am not pleased about that because I have worked at the State and I worked at the Federal Government, and I don't know how to change that mind-set, but that is a mistake. It is a myth that poor kids cannot learn. When given the tools, when given the professors' teaching in their major, when given what the children of the affluent families are getting, we see that all children can learn.

So tell me what your ideas are on how we can—what Congress should do about this problem.

Dr. FONTE. Well, as mentioned in the written testimony or comment of "there is no one to waste" that Dr. Robert McCable said, I think what we have found is that is clearly the case in Texas. We believe that we need to make sure that the college growing rate and completion rate is maintained or actually increased at the level that it is right now. Otherwise, there are dire economic consequences to the State. So we do believe that if that requires for those students who enter college without the exact levels to be totally successful that we need to work on what we call developmental education. And there are lots of evidence that shows students go through developmental education, they do very well. As a matter of fact, we have information at our own institution that show they do outstanding once they move on to the college-level courses.

Obviously we would all desire that the K-12 completers have all the tools they need to be successful in college. And, we do need to put an emphasis on that, and that is obviously why in Texas we suggest that people take the recommended high school curriculum. We believe that is the case for taking whatever course they want to take at Austin Community College; whether or not they complete a 1-year certificate or 2-year program in the workforce area, or whether or not they are planning to go on to a 4-year university, the preparation is the same. We want the same preparation, the same level of math, et cetera, whether or not you are planning to go.

I do not know I have the answer how to psychologically change people's minds, but I suppose the way to say it is that the evidence is clear that you can be successful. If we get those folks through college, it will make an economic impact that will be beneficial to society. It will not be wasted resources. It is resources that if you invest in, will pay off. There is evidence of that.

It is important that we allow students while they are on Pell to be taking developmental courses. That is important, because there is that tie-in and eventual success.

Mr. HINOJOSA. Thank you, Dr. Fonte. I wish there was more time to ask you another question or two, but I yield to the Chairman. Chairman MCKEON. Thank you.

Mr. Osborne.

Mr. OSBORNE. Thanks, Mr. Chairman.

Traditionally it seems like when people come before this Committee or other Committees, whether it be agriculture or health care, whatever, the standard request is for more money. And, agreeably more money will fix a lot of problems. I would like to ask one general question of you. What one thing would each of you suggest that we might do that would improve access that would not necessarily cost more money? Because you will find that those suggestions will probably be greeted with great enthusiasm on the parts of many people here in Washington. I do not mean to say we will not spend more money, we are against the idea, but we are really interested in those kinds of ideas because what we are seeing, the Pell Grant has increased 73 percent in the last 8 years. Cost of education is going up roughly 8 percent a year, about the same rate. And at some point, with the GDP increasing 2 percent, 3 percent, you hit the wall. I mean, you cannot continue to do this. We are interested in any ideas that you have, and I have heard one or two already, but I would like to see those reiterated. So this is an open general question for all of you.

Mr. DREYFUS. Mr. Osborne, in my testimony I mentioned the transfer of credit issue. I believe this issue is much more pervasive not only among nationally accredited schools and regionally accredited schools, but also among community colleges, 4-year schools and in between 4-year universities. It is an area that I think has been hidden below the surface for a long time. And, it really needs to be taken a hard look at because I really think many, many students are denied transferring credits that cost them time and money. It is just a matter of somehow ensuring the academic freedom of institutions, but at the same time letting the institutions know that it is incumbent upon them to look at these credits and what students have done to give them an opportunity to complete the program sooner.

Mr. OSBORNE. Of course, in answer to that, I know that many institutions will not accept a D from another institution. And sometimes they will not accept a C. For instance, many 4-year colleges will not accept a C from a community college or junior college, whether that is correct or not, and then they want something that is commensurate. So there are some problems, and I understand. I certainly appreciate your suggestion. Yes, sir.

Dr. FONTE. Sir, if I could very quickly, the word deregulation comes to mind. There are definitely burdensome requirements that are put on colleges and universities, and not only through the Higher Ed Act, but through Perkins, et cetera, which I think need to be looked at.

In fact, we would like to have some authority where we could try to make some provisions of trying to discourage, through some campus policies, folks taking loans when they really should not. And right now, there are not sufficient flexibilities at the campus level to deal with that. I think those would be areas where it would not cost you money, but would actually probably lead to more efficient use of the dollars we have.

Ms. MILANO. I would like to suggest that the FAFSA forms be fast-tracked, and certain students whose parents already qualify or whose families already qualify for SSI benefits or some other bene-

fits be automatically accepted so that they do not have to go through all the work involved in filling out a FAFSA. I think the government could save a lot of time and money and effort in that area.

Ms. FLACK. I would agree. A FAFSA EZ would be a terrific benefit.

I also think fostering more partnerships between the higher ed community and the public ed community and leverage those people that we have who can show enthusiasm for students and can help guide them through the process in a way that sometimes they do not receive. We are beginning to see some results from those kinds of partnerships. If they can partner with high schools, say, and school districts that have historically low college-going rates, I think that would be a great deal of help to the students.

Mr. OSBORNE. My time is up. I see you reaching for the gavel, so I am going to beat you to the punch here.

Mr. Tierney.

Mr. TIERNEY. Thank you, Mr. Chairman, and Ms. Milano and Ms. Flack. You will be happy to know that there is a bill out to do exactly what you suggested. Rahm Emanuel has filed it, and I know we have talked to the Chairman here and others, and I think you are going to find some support for that and hopefully move forward.

I want to say one thing about Ruben Hinojosa and just say how much we appreciate the fact that he is on this Committee and consistently raises issues and questions that need to be raised about a population that isn't as well served as it should be. So I want to thank you, Ruben, for the work that you do.

Also want to take a moment of my time to address Mr. Keller. But I want to put on the record, before we go too far in our self-congratulations on how we are supposedly spending more money on the Pell Grant, I want to bring to our attention that what we spend per student on a Pell Grant right now is about 42 percent of the cost of a 4-year tuition at a public institution. In 1976, a Pell Grant was 84 percent. Until we get closer to that percentage, I think we are not really increasing and not doing the job we should do.

I would also note that last year, a per student Pell Grant was 4,050. The President this year proposed \$4,000, actual decrease, and all we are doing here in Congress is freezing it at 4,050 if that should go through.

So I think we are a long way from congratulating ourselves, particularly when we are all talking about free trade and a global environment and business. We were going to open up the free trade, high-end jobs were going to stay in the United States, low-end jobs were going to elsewhere, and in compensation for this, we were going to make sure more children got college and higher education and better job training. We were going to pay more for Pell Grants. We were going to do more in terms of TRIO, GEAR UP and other programs to get kids ready to go, and I think we are not showing a very good record in any of those respects.

And sometimes resources do matter. Sometimes money does matter. We have been giving scholarships to Gates and Buffett and everybody else here by way of tax cuts at a time when we need to be investing in our educational prospects on that. So I wanted to

put that on the record and hope Mr. Keller will take note of that as he moves forward and joins us in trying to do some of those things.

With the little time I have left, I want to note that many people seem to indicate that, gee, we are doing all we can do. Let me ask our panelists, are States doing all they can do for student access to higher education? If not, what more should they be doing? And the same question with respect to the private community. Anybody want to start?

Dr. MITCHEM. I think the States can do more. Ms. Flack really put her finger on the problem to Mr. Carter's questions and other questions in terms of the spiraling costs on higher education. State subsidies have been reduced. And Congressman Van Hollen was correct. We have to put more pressure on the States to do more for higher education. The States will say they have other priorities, prisons, Medicaid and so on. So that seems to me what we need to do is to encourage the States to be a more viable partner.

At the time when the purchasing power of the Pell Grant was what you stated earlier, the States were more involved as well, so it was more of a shared enterprise, and that is one of the things I said in my testimony. And this Committee and Mr. McKeon and Mr. Kildee are a bully pulpit to drive and encourage and urge Americans and policymakers to understand the importance of higher education to economic growth and quality of life for the future.

Ms. FLACK. I think the States could also look at where the leakage is in the pipeline. I mean, where do we lose students? We do not lose them when they are 18 years old and they have or have not graduated from high school. We need to get back and look at where we are losing students, where they are not picking up the courses so that then they graduate from high school prepared to succeed, and higher education has partnered with the public to ensure that there is a seamless educational pipeline, if you will.

Ms. MILANO. The State of Ohio through Governor Taft has started a college access network with \$2 million. It went from 11 college access programs to over 30, and it will go to 42, and it has raised much more than that \$2 million across the State to provide college access in communities and to help communities provide scholarships to their students. So it was a very easy program to manage and would be easily replicable throughout the country.

Dr. FONTE. Very quickly, incentives to encourage State financial aid programs that focus on the most needy or first-generation students, it goes back to some old ideas that have been in old authorizations in the past, and I think that idea of incentivizing States for State financial aid programs is important, especially since it seems right now that the direction of some of the State programs is actually not toward the needy. We need to focus some attention on that.

Chairman MCKEON. The gentleman's time has expired.

Mr. Ryan.

Mr. RYAN. Thank you, Mr. Chairman. I will be brief and welcome Ms. Milano from the great State of Ohio. Good to have you.

One question I did have for you in particular. I know you are doing work with the high school access and doing some work in the middle schools. How do we go about getting parents to think at a

young age when they have children to begin to do their own cost savings? And I know I missed the beginning of the hearing, but if you haven't answered this question already, if you would indulge me for a minute.

Ms. MILANO. Our programs have recently started spending a lot more of their time and energy with younger students and engaging parents in the whole process, making sure parents understand that their students have to take the right courses in high school if they are going to go ahead and go on to college. This is so much more important now than it ever has been because of the dearth of guidance counselors. There is not anybody to help students and parents make these decisions anymore. We put some resources through the GEAR UP program also and working to bring parents into the schools and get them more engaged.

Mr. RYAN. Thank you.

I don't know who may have the answer for this, but when I was in the State legislature in Ohio, we had numerous studies that were saying for every dollar that Ohio put into higher education, we received a \$1.84 to \$2 back in State tax revenue. And if we had the number of bachelor degrees that— with the national average, we would have an extra \$2 billion in the State kitty to invest in other programs. Do we have any Federal numbers, the amount of money that we invest from the Federal Government that would show us some kind of return so when we are out talking about the difference between tax cuts or investments in education, we have some hard statistics to say we are getting a great return on this money? And if not, maybe we should do one.

Ms. FLACK. We have not done a specific study in Texas. To answer your question, I do not have Federal numbers. But as I cited earlier, what we do know the cost to the State would likely be for an uneducated workforce is that we think the income loss to Texas would be about \$60 billion a year in 2040 if we do not improve our participation and success rates.

Mr. RYAN. Sixty billion a year?

Ms. FLACK. Yes.

Mr. RYAN. I would like to associate myself with Mr. Tierney's remarks as well. We have hard decisions to make here, but it is really an issue of priorities, and I fall down on the side of taking the money and making sure we invest it to provide access for our kids so they can help grow our economy and start new businesses and hire people here in America. And I think these are crucial investments we can make because they are ultimately going to solve the challenges we have with population, with energy, with health care, all these challenges that we face which can be addressed by making the investments in education and getting people ready to solve these problems. So this is the best investment.

Thank you very much for your time. And, Ms. Milano, thank you for your help.

Chairman MCKEON. The gentleman's time has expired.

Mr. Payne.

Mr. PAYNE. I, too, would like to commend the Chairman for assembling such an outstanding panel. Although I didn't hear testimony, I read it all while my colleagues were asking the questions, so I know what each of you said. But I would like to also say it

is great to see Dr. Mitchem here, who has done such an outstanding job with the Council for Opportunity and Education for many, many decades and for the continued importance that you mean to low-income students around the country.

Let me also associate myself with the remarks of Mr. Tierney, who is gone, and where we talk about patting ourselves on the back. I know Mr. Keller did mention it was 7.6 billion 3 years ago, and it is now 12.3 billion, and that is a great increase. That is maybe a 40 or 50 percent increase. However—and we have been focusing on the increase in costs in education in saying that there has been a tremendous increase. However, I don't think that the increase is any more than in any other of the critical areas.

If you take housing, for example, right here in the District of Columbia, you could probably double the value of your property in the last 2 years, at least 30 or 40 percent up. If you take a look at health care, it is unbelievable. So I don't know how we can look at education in a vacuum and say education is going up, and we need to talk about price controls and need to look at ways—and it would be good to figure out a way that we could reduce the growth in the cost of education. However, we do know that educators were poorly paid for decades, especially elementary and secondary schools when it was primarily women because there were no other opportunities for women, so you had the brightest and the best women teaching, and salaries were low. And same thing with health care, nursing and so forth, where we had outstanding people because women had limited opportunities.

Well, now you have more opportunities for women and minorities, and so things are opening up. So we can't do things on the cheap like we used to be able to do. We are still not, in my opinion, paying educators as well as we ought to, although there has been a tremendous improvement in education. I put some amendments forth several weeks ago where we are trying to get a higher quality of education, starts at that elementary and preschool level to try to get loan forgiveness for Title I schools where you had over 65 percent of the student population Title I students. We did get some relief for math and science and special ed. But if we are going to lose quality teachers the first chance they get to leave that school and take an opening at a school where class sizes are smaller, the school is not as old, the children are prepared by their parents before they come in, we are going to have the continued problem of people leaving the elementary and secondary and preschool and making it more difficult so programs like Upward Bound will always be necessary.

I just—and I only want to bring into defense, this 12 billion that we are spending this year for Pell Grants, we will—we spend that in a week and a half in defense. So in less than 2 weeks, you spent the whole amount that we put into the Pell Grants. We need to have a strong defense, but I think we need to keep things in perspective, and I don't think there is anything more important in this Nation than education. The future of our grandchildren is going to be dependent on education that they get because the whole world is tooling up and becoming more efficient, and unless we are ahead of the curve, that is why we have been for so long.

So I also see the problems in our States. They are just strapped for funds, and they are going to continue to put a cap on what they give for education for the near future. And those States like New Jersey, which has many State schools, the increase—even our Rutgers University is quasi-State, and that means those courses of higher education in New Jersey is going to continue to spiral up, which makes it extremely difficult.

Let me ask you, Dr. Mitchem, people have a view that Upward Bound is focused only in certain areas. Could you give me a picture of the Upward Bound population and its constituency in general?

Dr. MITCHEM. Surely, if you look at TRIO as a whole, 36 percent of the population is white, 34 percent is African American, 20 percent is Latino, 5 percent is Native American, 5 percent is Asian, about 16,000 individuals are disabled, and about 14,000 individuals are people who had been in the military, veterans. TRIO programs, including Upward Bound, are in all 50 States and everywhere the American flag flies. So it is clearly and truly a triracial, multi-ethnic American program that is meeting the interest of all low-income people in both rural and urban areas.

Mr. PAYNE. I wanted to make that clear because some of my colleagues had that impression.

Chairman MCKEON. Thank you. The gentleman's time has expired.

Mr. Burns.

Mr. BURNS. Thank you, Mr. Chairman. I appreciate the input that you provided.

I first want to apologize for having to step out, so my question may be redundant. I would like to, first of all, thank Mr. Kildee. I think maybe a partnership where student loan forgiveness is an option is a good idea we ought to investigate. Anytime we have an opportunity to relieve the debt burden on our graduates, I think that is something we need to pursue.

I also want to talk a little bit about the Pell Grant front-loading. I spent 20 years in the academic world, and I know the challenge of retention, recruitment. And then once you get them in that front door the first year, how do you get them back the second year? What downside do we have to front-loading Pell Grants? Anyone want to tackle that? Who would be opposed to that in the education community? Hearing no objections, does that mean there is unanimous support? We will move on. That is good.

The second thing is the 50 percent rule on distance education, certainly Web-based education, distance education, which I was involved in for a number of years, is becoming a much more effective technique for delivery, and it is one option at least to encourage at least some cost containment and indeed maintain and enhance quality. Can you help me with any specific recommendations on that particular part of the Higher Education Act?

Mr. DREYFUS. Well, Mr. Burns, CCA's proposal has been to maintain quality and allow only approved accrediting bodies to review these distance education programs. I do believe that there will be some savings as far as the infrastructure goes, buildings, et cetera, for schools. However, I am not sure that generally a distance education program is going to be less costly to deliver if it is a quality program. You still have to have that student/teacher interaction

and just cannot have 1 professor for 4,000 students. I mean, the number of students is very important. In fact, a student cannot hide in the back of the classroom like they can in a normal classroom. It is very important to maintain the quality.

I think if the private sector is going to go into distance education in a big way, certainly the 50 percent rule is one that may hinder some of that investment. But, I do believe we still have to maintain a differential between what correspondence courses are and telecommunications courses.

Mr. BURNS. I agree.

Do you see 100 percent distance education as an acceptable model, or do you see some balance?

Mr. DREYFUS. There are some instances where schools have been 100 percent distance education, and it depends on the case-by-case basis as to the quality of what they deliver. I believe that in the future you will see more and more that may be 100 percent, but it has to maintain that quality.

Mr. BURNS. Dr. Mitchem, I appreciate your testimony, and I especially appreciate the specific goals that you suggest. Oftentimes we do not see quite that level of specificity. I think that is good.

Now the question is attainment, that might be a challenge, and supporting that. How do you respond to those who say there are very few entities receiving or even willing to apply for TRIO funding? Is that a problem because of prior experience?

Dr. MITCHEM. No, sir, it is not. In fact, we looked at that issue very carefully and discovered that the opportunity to get a TRIO grant is better than it is for a Part A grant and Title 3 or any other Federal discretionary program. In fact, about 38 percent, 38 percent on average in the last 3 years, that is this century, of programs have gotten new programs. So the TRIO program is a very wide open program. But at the same time, it is a program that is committed to sustaining services so you can buildup real relationships in communities and provide services where needs still exist.

Mr. BURNS. Do you have any recommendations for changes? Are there any changes that might be necessary in TRIO?

Dr. MITCHEM. Not in terms of the prior experience area, sir. I think it served the programs of American colleges quite well for over 20 years, and I want to leave that as it is.

Mr. BURNS. Last area is in transfer credits. There was discussion about a disincentive to move from institution to institution, and you are 100 percent right. Certainly a large percentage of our students now attend multiple institutions, and there is a barrier to moving from one institution to another. How do we resolve that transfer issue, or must we rely on the accrediting bodies and the independence and the academic freedom that is there in the individual institution?

Chairman MCKEON. Gentleman's time has expired and would like for you to answer that in writing if you could.

We have one more Member that has not had a chance to ask questions. We now are being called to a vote. We will hear from Mr. Bishop.

Mr. BISHOP. Thank you, Mr. Chairman. Once again, thank you for allowing me to participate in this hearing. I have several questions, but let me ask one I think that might be the most important.



Several of you have suggested significant increases in Pell Grant funding, something I certainly concur with. My question is do you believe—how would you weigh the merits of increasing the funding such that the maximum award per student would go up as opposed to increasing the eligible population who will qualify for the reward? I think right now a student who expects family contribution of \$4,000 or less is eligible, and anybody over \$4,000 is ineligible. How would you weigh the merits of increasing the maximum reward versus increasing the eligible population, let us say, to students who can contribute to 6,000 or less or 8,000 or less?

Mr. DREYFUS. I personally think the population that is currently being served with Pell Grants still needs more support. And, if you even that out across more participants, it is not going to help some of the most needy students, which is what we are talking about, and get through that first and second year.

Dr. FONTE. Currently, Pell goes very much to the most needy students, so I think that is important. And, I think if you did increase the number, that would have the impact—I think, of the objectives that you are outlining there as a possibility. I think the emphasis is to increase the level. I think you might actually then be able to attract even more people in a broader range.

Mr. BISHOP. Increase the maximum level.

Dr. FONTE. Right.

Mr. BISHOP. I guess the reason I ask the question, I was a financial aid director for 7 years, and I always found the most difficult population to assist was the population that was just beyond Pell Grant eligibility. And that leads me to my second question, which is how would you weigh the relative merits of increasing Pell Grant funding versus increasing campus-based funding?

Dr. FONTE. From a community college point of view, given the historical distribution, there is not any question of the importance of the Pell Grant, although we surely do think the campus-based programs need to be addressed. I would put an emphasis on SCOG, which is aimed at helping the most needy. But without any question there is not any question in terms of the priorities.

Dr. MITCHEM. I would agree with Dr. Fonte completely.

Mr. BISHOP. Thank you, Mr. Chairman.

Chairman MCKEON. Thank you.

We have been called to a vote. We have a couple of votes, so we will not be coming back. Mr. Hinojosa did have a final question. If he were able to submit that to you in writing, would you be able to answer that? Would that be sufficient?

And just finally, both Mr. Keller and Mr. Tierney are gone. What they both said was correct. It is just how you look at it: Is the glass full or half empty? We have increased Pell Grants this year, 885 million. While the top level is the same, what it does is it does expand over more students, which we look at expanding accessibility, giving more students opportunity is why we do that.

I want to thank you for being here today. I think you have been excellent witnesses. It is very helpful as we move forward in the reauthorization, and I would encourage you to stay involved in the process and be there to help us as we move forward. And with that having been said—

Mr. HINOJOSA. Would the Chairman yield? I have some additional questions in addition to the one that you mentioned. May I submit those for the panelists to answer in writing?

Chairman MCKEON. Are you in agreement?

No objection, so ordered.

This Subcommittee stands adjourned.

[Whereupon, at 11:55 a.m., the Subcommittee was adjourned.]

[Additional material submitted for the record follows:]

**Response of Dr. Richard Fonte, President, Austin Community College, to Questions Submitted for the Record**

August 18, 2003

The Honorable Ruben Hinojosa  
2463 Rayburn House Office Building  
Washington, DC 20515

Dear Representative Hinojosa:

On behalf of the American Association of Community Colleges (AACC), I am pleased to provide the following responses to the questions you submitted for the record of the July 14, 2003 hearing of the Subcommittee on 21st Century Competitiveness. As you will recall, the hearing focused on providing access to higher education.

1) As is broadly understood, there are many barriers to full Hispanic participation in higher education. Some of the barriers are simply linguistic. Cultural reasons, and perhaps a widespread feeling that "higher education is not for me," also play a role. Many would-be Hispanic college students, particularly males, have extremely close ties to their families that lead them to eschew college to work to help support those families. A lack of adequate academic preparation and, of course, disproportionately high high-school drop-out rates are another reason for low college participation rates. Also, the continued under-funding of student financial aid programs creates an additional set of barriers for Hispanic students.

Given this, any Federal effort to draw more Hispanic students into higher education must be multi-faceted. Most of components that are needed to lower the hurdles for Hispanic students are currently in place, and primarily need greater funding. (However, please see my response to your question 5.) This is certainly the case with the TRIO program.

3) The "Closing the Gap" initiative is of extraordinary importance to the economic and social well-being of Texas and, indeed, the nation. There is no easy response or quick solution to the budget problems that have are currently plaguing Texas and which have contributed to the substantial under-funding of the initiative. However, we hope that policymakers will soon grasp the overwhelming long-term benefit in ensuring that Texas's Hispanic population is drawn into full participation in college. The consequences of not doing so will be severe.

4) AACC supports legislation such as S. 1291 and H.R. 1918, introduced in the last Congress, that would have amended the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to permit States to determine state residency for higher education purposes. The bills would also have adjusted the status of certain alien college-bound students who are long-term U.S. residents. In addition, Congress should continue to ensure, at a minimum, that legal immigrants continue to have access to federal student financial aid.

5) Although much progress has been made in enhancing the movement of community college students into four-year colleges (and, in some cases, two-year institutions), significant barriers remain. Difficulties in transferring remain especially acute for students wishing to successfully transfer credits to many private colleges as well as out-of-state public institutions. AACC and other higher education associations support an explicit federal role in facilitating transfer between two-and four-year colleges.

AACC currently supports, with modifications, Rep. Wu's legislation (H.R. 1871) that provides funding for partnerships between community colleges and other institutions to facilitate transfer. (AACC's reservations focus on the bill's provisions that provide student financing; we believe that that is most effectively provided through Title IV.) Rep. Wu's legislation does not focus on particular curricular areas of programs of study, although it does provide general support for curriculum. H.R. 1871 could certainly be modified to concentrate on occupational programs of particular need, such as nursing, teaching, law enforcement, and information technology.

On a related subject—although the problem of transfer-of-credit is a significant one in many cases, many of the solutions that have been proposed would create new and substantial problems for students and institutions. The evaluation of credit should remain an institutional prerogative. Therefore, we urge Congress to move with caution in this area.

Thank you for your ongoing interest in these and other issues that are so critical to our nation. I am pleased to provide any additional information that might be of help to you as the HEA reauthorization process proceeds.

Sincerely,  
Richard Fonte  
President and CEO  
Austin Community College

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**Response of Christina Milano, Executive Director, National College Access Network to Questions Submitted for the Record**

QUESTIONS FROM HON. RUBEN HINOJOSA

*1. What do you think the barriers to access have been and how can we assist the Hispanic community in overcoming them?*

Most under-represented students, including those from the Hispanic community, our country's newest majority minority, face barriers to college access—cultural differences, high guidance counselor to student ratios, lack of need-based aid, rising costs of education, and, most critical, a lack of information about college admissions, financial aid and career path development. Parent involvement and information is key, particularly for first-generation and Hispanic families. Home visits of college access advisors to family members of students who are high school students appear to be particularly effective for this population. Information, coupled with guidance and financial aid is the key for all underrepresented students.

*2. Directed to Dr. Mitchem re: TRIO application procedures*

*3. The Closing the Gap Initiative began with great optimism and inspired hope that Texas was truly committed to closing the gaps. However, our state's budget crisis threatens to make the initiative little more than rhetoric. How can we help and encourage states to fulfill the promises made in initiatives like this one?*

College access should be a partnership among the federal government, state governments, institutions of higher education and students and families. The federal role in providing student financial aid such as Pell Grants, Work Study, and Federal Family Educational Loans is critical. You are correct that many states are facing budget crises that lead to cuts in funding for higher education and for any state-based student financial aid programs. However, some states are making higher education a priority. For example, realizing the importance of a college-educated workforce and its many benefits to the state, Ohio supports the Ohio College Access Network ([www.ohiocan.org](http://www.ohiocan.org)), which is building local college access programs to bring information and scholarship dollars to students across the state. The federal government should consider initiating incentives for the states to help them work with students on programs such as Closing the Gap and the Ohio College Access Network.

*4. The doors of opportunity remain closed for one group of young people in America. Young people, graduating, often with honors, from our high schools, are being denied access to college because they were brought here as children by their parents and do not have documentation. There has been bipartisan legislation introduced to assist this group of young people. What do you recommend that we do to ensure that all of our high school graduates have the ability to attend college if they so desire?*

This is a difficult issue. We at NCAN are committed to working with our programs to help all students access higher education through a combination of advice, guidance, and financial assistance. In the long term, all of us benefit if undocumented students receive some form of postsecondary education. Many of our programs do offer financial assistance to undocumented students, while others require a social security number or alien registration. It is important, however, that all students, regardless of their citizenship, receive the advice and attention they need to pursue postsecondary education, the key to a brighter future.

*5. Several of our witnesses today have spoken about 2-year institutions as gateways to higher education and there has been an acknowledgement of barriers to transitioning from 2-year to 4-year institutions. It seems to be that we could erase such transitions by encouraging 2- and 4-year institutions to collaborate in cur-*

*riculum development, especially in fields where there are workforce shortages. I would like to pursue this. What are your thoughts?*

This is a crucial issue. Two-year institutions often present an accessible, local, affordable option for post-secondary education. Many students who start out at two-year colleges would like to, and intend to, transfer to a four-year-college or university. Unfortunately, however, when it comes time to transfer, they often lack all of the coursework they need, or the courses they have taken are not transferable to a four-year school.

However, I think there is some competition within 2-year schools between the "academic" side and the "workforce development" side. Many 2-year institutions receive federal and corporate funding for workforce development and tend to guide students into those programs rather than into the more liberal arts side of the institution, which may prepare students for a transfer to a 4-year school. Four-year institutions are not underwriting any costs for the 2-year schools. Also, more and more companies are looking at the two-year career focused degrees as what it is they need in their work environments and are willing to help underwrite these training costs at the 2-year institutions.

There needs to be more, and better, collaboration between these institutions. Generally, students attending 2-year schools need more and better counseling. More schools should create articulation agreements program between two- and four-year schools that enable students who are interested in pursuing a certain major or career path to work with counselors at both the 2-year and 4-year institutions to ensure that they are taking the courses they need to successfully transfer and pursue the major of their choice.

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**Response of Dr. Arnold Mitchem, President, Council for Opportunity in Education to Questions Submitted for the Record**

QUESTIONS FROM HON. RUBEN HINOJOSA

*1. What do you think the barriers to access have been and how can we assist the Hispanic Community in overcoming them?*

In your initial question you cite data from the TRIO National Clearinghouse that reports only 16 percent of students served by TRIO programs are Hispanic. Based on that data, you correctly point out that the percent served has not changed "over the years". Your citation of the Clearinghouse reference is accurate, but the Clearinghouse data is wrong. I apologize for that and have taken steps to correct that error. Let me provide you with the accurate information, which clearly indicates that progress is being made with respect to the number of Hispanic students being served by TRIO programs.

During the last reauthorization of the Higher Education Act in 1998, 16% of students enrolled in TRIO were Hispanic. According to the latest data available from the Department of Education, the percentage of Hispanics served in TRIO had risen to 19%. This represented nearly 22,000 additional Hispanic students. And, of course, Hispanics like other low-income Americans also benefited in the growth in TRIO appropriations since 1994. In 1994, TRIO served 668,000 students; by 1999 it served 722,000 youth and adults. Of the 54,000 additional students that were served, over 10,000 were Hispanic. Thus the total growth in Hispanic enrollment in TRIO programs between 1994 and 1999 (the last year figures are available from the Department of Education) was over 32,000 additional Hispanic students.

We have every reason to believe that Hispanic enrollment in TRIO programs has continued to increase since 1999. For example, since 1999 there have been five TRIO competitions: Student Support Services in Fiscal 2001; Educational Opportunity Centers and Talent Search in Fiscal 2002; and Upward Bound and McNair in Fiscal 2003. In the Student Support Services competition, 34 of 161 new grants awarded (21%) went to HSI's; in EOC's, 10 of 55 new grants awarded (18%) went to HSI's; in Talent Search 19 of 111 new grants awarded (17%) went to HSI's; in McNair, 5 of 27 new grants (19%) went to HSI's and 16 of 81 new Upward Bound grants (20%) went to HSI's.

When one considers that only 10% of colleges and universities are HSI's and that 61% of HSI's already host TRIO programs, this is indeed a remarkable record. This is especially the case given that nationally, fewer than one in three colleges and universities host TRIO programs.

The Council remains committed to doing everything possible to assist colleges and universities, particularly minority-serving institutions, in submitting successful TRIO applications. Because of our commitment to expanding the number of minority-serving institutions, the Council established a partnership with the Hispanic As-

sociation of Colleges and Universities (HACU), the National Association for Equal Opportunity in Higher Education (NAFEO), and the American Indian Higher Education Consortium (AIHEC) for the purpose of pursuing that goal. Beginning in 2000 the TRIO Minority-Serving Institutions Outreach Project, with funding from the Department of Education, has conducted seminars for minority-serving institutions on enhancing institutional infrastructure to become more effective in securing TRIO funding. Since we began those seminars, 86 new TRIO programs have been awarded to 68 Hispanic Serving Institutions, including new TRIO programs at South Texas Community College, Texas A & M University at Kingsville, and the University of Texas–Pan American. Altogether, the 15th Congressional District of Texas currently hosts 13 TRIO programs that serve 4,452 students and receive \$4,063,441 in Federal TRIO funding. The State of Texas currently hosts 176 TRIO programs that serve 54,926 students and receives \$51,148,642 in Federal TRIO funding. Although we are making progress, we still have a long way to go.

We in the TRIO community are nowhere near where we want to be in serving the educational access and support needs of the nation's low-income, first generation students. As you know, we currently are funded to serve less than 10 percent of the eligible population. We appreciate your ongoing support in securing increased funding so that we can continue to include more deserving students of need within the TRIO programs.

*2. Besides, prior experience points, how has TRIO accountability evolved to reflect the values and benchmarks in NO Child Left Behind Act?*

Congressman Hinojosa, we believe the TRIO community has made great strides in assuring accountability over the past six years. For example, my Board in conjunction with the Council for the Advancement of Standards in Higher Education (CAS) has adopted a set of standards for TRIO and Other Educational Opportunity Programs. These standards provide institutions a means of assessing the performance of their own TRIO programs against nationally accepted criteria. My Board believes so strongly in these standards that as recently as May of this year, we offered a free teleconference to all colleges and universities throughout the country presenting the standards and explaining how they could be used.

More specifically on No Child Left Behind, the TRIO community is also moving aggressively to assist young people in meeting new standards imposed upon them by that law. You will note, for example, in the upcoming conference of the Council for Opportunity in Education, an entire strand is devoted to this topic considering such issues as "Effective Approaches to Assisting Students Pass State Mandated Tests" and "Linking Pre-college Outreach Programs with School Reform Efforts."

The Department of Education, too, is moving to increase accountability for outcomes in the TRIO programs and I am sure the Department would be pleased to share with you information regarding their efforts in this area.

With respect to Prior Experience, let me comment on a few misconceptions. It is said that the concept of Prior Experience is unfair to colleges and agencies that aren't sponsoring a particular TRIO Program. Is it unfair? Prior Experience does give existing TRIO programs an advantage over new applicants in competitions, but there are good reasons that Congress decided to provide this advantage:

- During the 1980 Reauthorization of the Higher Education Act, Congress acknowledged that TRIO Programs were not one-time "demonstration programs". TRIO, like Pell grants, are Student Assistance Programs funded under Title IV of the Higher Education Act. Congress explained its view by arguing for a sustained federal role in providing access and support services to eligible students. It emphasized the importance of encouraging student and community reliance on continuous program services.
  - Prior Experience holds colleges and universities accountable for how they treat low-income and disabled students. Prior experience points encourage colleges and universities to meet the student outcome objectives they set for college entrance, persistence, academic achievement, graduation, and numbers of students served.
  - It's plain common sense. Experience counts. Employers look to the experience of their applicants when deciding whom to hire. Shouldn't the Federal Government (which can only reach one out of every 13 young people and adults eligible for TRIO) count experience in implementing these important federal programs?
- Prior Experience isn't an entitlement. In fact, in almost every TRIO competition, colleges and community agencies lose funding—something that wouldn't happen in an entitlement program. It is an accountability measure that results in more effective and efficient programs and rewards colleges and agencies only if they demonstrate that they have met certain objective criteria and achieved the measurable

outcomes they set in their grant application (as amended by negotiation with Department of Education staff).

Another misconception is that Prior Experience keeps out “institutions” and that many colleges and agencies that want to serve low-income, first-generation, and disabled students can’t get TRIO funding because of the Prior Experience provision. This just isn’t true. New applicants for TRIO funds have a better chance of being funded than the same institution would have in applying for other Department of Education administered programs. For example, on average over the last three years of grant competitions, a “new applicant” has had a 38% chance of receiving a TRIO grant. That same college’s chance of being funded as a new applicant would only be 19% in either the Title III, Part A Program or GEAR-UP.

People say that the Prior Experience provision keeps minority-serving institutions from hosting TRIO programs and thus prevents needy minority students from receiving TRIO services. This is not true. Consider the following:

- First, TRIO, similar to student aid programs, is designed to assist students, not institutions.
- TRIO is effectively serving racial/ethnic minority students. 36% of TRIO students are African-American; 19% are Hispanic; 4% are Native American; 4% are Asian. A full 63% of TRIO students are from racial/ethnic minority backgrounds.
- Prior Experience is not preventing Minority-Serving Institutions from receiving TRIO grants; in fact, Prior Experience works to assure continuity of services at these important institutions. Nationally, less than one-third of colleges and universities host a TRIO program, but 61% of Hispanic Serving Institutions, 77% of Predominantly-Black Institutions; and 69% of Tribal Colleges sponsor at least one TRIO program.

*4. What do you recommend that we do to ensure that all of our high school graduates have the ability to attend college if they so desire?*

I share your concern regarding the provision of opportunity to undocumented students, especially those who are graduates of U.S. high schools. Your State has certainly taken the lead in extending opportunity to such students by allowing them to enroll in publicly supported colleges as resident students. However, although I am not completely knowledgeable about this subject, it is my understanding that certain provisions of the 1996 Immigration Reform Act stand as obstacles for States. Many in the TRIO community believe that Senate Bill 1291 which was introduced in the last Congress by Senator Hatch provides an appropriate framework to address these concerns particularly because it allows states to determine State residency for higher education purposes. I am not aware, however, of any parallel legislation being considered in the House.

Many TRIO Program administrators are faced with the challenge of how to help children of undocumented immigrants who want to obtain a postsecondary education but who face certain education barriers because they cannot obtain legal residency. That’s why the Council supports the DREAM Act and was one of many national organizations that signed a letter to Senators Hatch and Durbin and to Representatives Cannon, Berman, and Roybal-Allard in support for the DREAM Act.

*5. It seems we could ease such transitions by encouraging 2- to 4-year institutions to collaborate in curriculum development, especially in fields where there are workforce shortages. I would like to pursue this. What are your thoughts?*

As I’ve mentioned in my testimony, the ability of low-income, first-generation students to obtain a baccalaureate degree is critical. However, you are correct that there are a number of barriers that exist for such students who want to transition from a 2-year to a 4-year school. TRIO’s Student Support Services (SSS) Program has had positive impacts on helping low-income students transition from a 2-year to a 4-year school. SSS programs provide a range of activities designed to help those students secure admission and financial assistance for enrollment in a 4-year school. SSS programs also make sure that students are aware of a SSS program at the 4-year school so that students can continue receiving the vital services SSS programs provide in helping students graduate from college.

I think providing incentives for 2-year and 4-year schools to collaborate in curriculum development would be helpful in easing the transition. However, I think a bigger problem is just students knowing what courses they need to have taken so that they can transition to a 4-year school, and then making sure that they have taken those right courses. SSS programs provide that kind of counseling and knowledge about course selection.

**Response of Mark Dreyfus, President, ECPI College of Technology, to  
Questions Submitted for the Record**

July 31, 2003

The Honorable Ruben Hinojosa  
United States House of Representatives  
Washington, DC 20515

Dear Representative Hinojosa:

Thank you for the opportunity to respond to your questions from the July 15, 2003, hearing on "Expanding Access to College in America: How the Higher Education Act Can Put College Within Reach." I will limit my response to your question on reducing the barriers to transitioning from two-year to four-year institutions (Question 5), since only a very limited number of for-profit institutions participate in the TRIO and GEAR UP programs. My response to this question follows below.

I fully support efforts to encourage collaboration in curriculum development between institutions to remove transfer of credit barriers. However, I firmly believe that such efforts alone cannot effectively address this problem. Currently, four-year institutions have little incentive to accept credits for transfer from two-year institutions, whether they are community colleges or career colleges. In fact, it is in an institution's financial self-interest to deny the transfer of credit, since it may lose a significant amount of revenue by accepting credits earned at another institution.

I am also concerned that most regionally accredited colleges and universities have an informal policy that limits the credits considered for transfer to those earned at other regionally accredited institutions. This means credits earned at nationally accredited colleges are often not considered for transfer to these institutions, even if the school has the same curricula, faculty qualifications, and resources as a regionally accredited institution. Thus, choosing to attend a nationally accredited institution has become an obstacle for students who may later wish to transfer credits to a regionally accredited institution.

In my written testimony I made the following recommendations to the Committee in an attempt to address transfer of credit barriers.

- First, accrediting agencies should be required to adopt and enforce standards or policies that require institutions to presume the academic quality of credits earned at an institution that is accredited by an agency recognized by the Secretary of Education. This would not require institutions to accept all proffered credits; institutions would still be free to assess the comparability of the course as well as the student's level of mastery.
- Additionally, a new requirement should be added to the program participation agreement signed by institutions participating in Title IV student aid programs that would require institutions to presume the academic quality of credits earned at an institution that is accredited by an agency recognized by the Secretary of Education. As noted above, institutions should be left the discretion to decide credit transfers on a case-by-case basis on issues such as course content and student mastery.

Finally, States can play a role to foster the transfer and portability of credits within their borders. Florida, for example, has instituted a common course numbering system that allows for courses to be easily evaluated.

I look forward to working with you and your colleagues on the Education and the Workforce Committee to address transfer of credit barriers and other issues during the reauthorization of the Higher Education Act. Please do not hesitate to contact me at (757) 671-7171 with any questions.

Sincerely,  
Mark Dreyfus  
President,  
ECPI College of Technology  
Chairman,  
Career College Association

**Statement of Hector Garza, President, National Council for Community and  
Education Partnerships**

Mr. Chairman and members of the Subcommittee, let me start by expressing our appreciation for the opportunity to submit this written testimony for the record on expanding access to college for needy students.

On behalf of the over 1.2 million students, their schools and districts, higher education and business partners, community and faith-based organizations and the 47 states that are involved with GEAR UP—it is indeed a privilege for me to represent them today.

Because NCCEP has signed on as a supporter to other reauthorization proposals submitted by sister associations and the higher education community as a collective, my remarks will focus primarily on the question related to promoting access and educational opportunities for low-income and underserved students.

Specifically, I want to focus exclusively on ways to expand and improve an already successful program known as GEAR UP.

Our extensive involvement with GEAR UP practitioners and their partners places us in a unique position to represent their interests and articulate some of the changes and improvements to the GEAR UP program that we, as a community, believe are necessary.

With respect to the federal college access programs, we believe that GEAR UP and TRIO should be maintained as separate complementary programs and expanded to collectively serve larger number of students, schools, and communities.

Each of these important college access programs offers unique approaches and services to low-income and first-generation college students.

To consolidate the programs would be a mistake.

Of the two, GEAR UP is the younger and more contemporary using research-driven practices that focus on what matters most—student achievement and academic success.

GEAR UP partnerships already are documenting impressive changes in students' achievement levels as well as changes in educational practices that will serve as lasting reforms to K-16 systems.

The central question, then, is how can we make an excellent college access program even better?

We believe that the programmatic thrust and work of GEAR UP partnerships are central to helping schools, districts, and states efficiently implement the No Child Left Behind Act.

In GEAR UP, the administration has a model program that can help ensure that no child is left behind.

GEAR UP is the mechanism to ensure a smooth education transition for all children.

This model, encompassing local strategies and community engagement with a coordinated state presence, is precisely the type of federal program that should be improved and expanded to serve all states and more communities.

*Recommendations:*

1. *We encourage Congress to increase the GEAR UP funding period from five to six years.* Support the President's fiscal year 2004 proposal and add an additional year to the program. Existing GEAR UP grantees could, then, ensure their students access to postsecondary education (funding 7th–12th grades).
2. *We encourage Congress to increase the authorization level of GEAR UP to \$500 million.* We believe Congress can play a leadership role in expanding GEAR UP to serve students—in all 50 states—by increasing the program's authorization level and provide the Department with resources to open up new application processes.
3. *We encourage Congress to clarify the legislative language that would allow both state and partnership grantees to apply for second phase of the grant.* Addressing the fact that there is NO “wait out” period is important as programs desire to reapply for grants to sustain early efforts to promote student achievement and system(s) change. Grant renewal, however, will be based on “successful performance” and not “prior experience”. Several studies have concluded that effective education reforms not only takes time to develop and implement but also requires a sustained effort continually improving and adjusting the education strategies implemented using a top-down and bottom-up grassroots approach. These comprehensive and systemic reform models being implemented through GEAR UP are precisely the locally effective practices the Congress needs to support.
4. *We encourage Congress to exclude partnership grants from proposing a scholarship component.* The scholarship component should be left exclusively to state grantees. Local communities rarely have the capacity to fundraise and manage complex scholarship programs that involve out years and forward funding and may not have the requisite experience to ensure that a student is appropriately “packaged” as required by law. Providing scholarships should remain a role for



state grantees, though waivers for states with appropriate need-based student aid programs should also be made available.

5. *We encourage Congress to appropriate supplemental resources to improve the capacity of GEAR UP grantees to conduct project-level evaluation.* While project-level evaluations are the cornerstone for measuring program impact, we are concerned that GEAR UP partnerships have not been provided the necessary technical assistance by the Department's evaluation staff or their evaluation contractor.

As with many other education reform initiatives, at least three years is necessary to get organized and to begin to function effectively as an education partnership.

GEAR UP partnership teams are just now ready to more effectively use local and state student achievement data to refine their programs, policies, and practices.

As the technical assistance provider for GEAR UP partnerships, NCCEP stands ready to work with the Department to help build the organizational and individual capacities of GEAR UP partnerships to conduct better project-level evaluations and measure program impact.

We believe that our proven track record and organizational capacity in the area of K-16 partnership assessments will help GEAR UP grantees to conduct better evaluations and to use their data and analyses to improve their programs.

Moreover, the GEAR UP community has repeatedly expressed concern about what is perceived as disconnect between the data reported through the Annual Performance Review (APR) and the unique design of the local GEAR UP program. I will add, however, that we are working closely with the Department to revise and enhance the report for the future.

Many program directors see little relevance between the data collected through APR and their specific program interventions. Our concern is that a flawed methodology and data collection system will fail to produce the type of evaluation that will be necessary to demonstrate the programs' real impact. In addition, program evaluations should have value locally and should be designed to guide program directors in making program adjustments and mid-course corrections.

Thus, we reemphasize that grantees use the NCCEP-sponsored GEAR UP conferences and capacity-building workshops as a way to gain valuable insight from the field and to refine the project-level evaluation strategy as a way to improve local GEAR UP programs.

6. *We encourage Congress to require the Evaluation Contractor to form a learning community made up of GEAR UP program and NCCEP evaluators, the Department of Education's evaluation and GEAR UP program staff, and academic researchers who study college access programs and K-16 partnerships.* We continue to be concerned about the way in which the Evaluation Contractor—Westat, in this case—has organized itself to conduct the GEAR UP evaluation. This contractor has failed to demonstrate a willingness to immerse itself in the trenches of partnership work as a way to understand the inner workings of the program as well as left the GEAR UP community suspicious of the Contractor's role and function.

Repeated attempts to engage the Contractor in meaningful conversations with GEAR UP practitioners have proven futile, heightening mistrust.

Further, the Contractor should be encouraged to participate and assume a supportive role at the national GEAR UP conference and capacity-building workshops.

7. *We encourage Congress to urge the Secretary to use GEAR UP Appropriations to open new grant competitions every year.* In maintaining the intent of the legislative language, the Secretary is directed to use annual appropriations to provide broader access to GEAR UP programs for communities in need.

Therefore, as the level of GEAR UP funding increases so should the number of grants that are awarded. Since 2002, the Department of Education has chosen to "forward fund" existing grantees instead of providing opportunities for new communities to apply for GEAR UP grants. We believe this is contrary to the Higher Education Act's legislation.

In closing, we offer the following reflection:  
GEAR UP is founded on the adage, "Give a hungry person a fish and he eats for a day; teach him to fish and he can eat for a lifetime."

GEAR UP teaches students, parents, teachers, and schools "how to fish"—how to learn, what to learn—so they can feed educate—themselves and the generations that will follow.

Mr. Chairman and members of the Subcommittee, my staff, the GEAR UP constituency and I look forward to working with you over the coming months to ensure that GEAR UP is neatly and efficiently reauthorized under the Higher Education Act of 1965.

Thank you for the opportunity to submit this written testimony.

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**Letter Submitted for the Record by George C. Torres, Assistant Vice President-Congressional/Legislative Relations, Texas Guaranteed Student Loan Corporation**

July 15, 2003

The Honorable Howard "Buck" McKeon  
Member, U.S. House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

The Texas Guaranteed Student Loan Corporation (TG) respectfully requests that this letter be submitted to the Subcommittee on 21st Century Competitiveness as a part of the record of the public hearing to be held on July 15, 2003. One of the individuals scheduled to testify is Teri Flack, Deputy Commissioner of Higher Education with the Texas Higher Education Coordinating Board. She will be providing the Subcommittee with a short overview of Texas' Closing the Gaps initiative established by the Texas Legislature in 1999 and 2001. TG is one of the partners in this effort, e.g., TG administers the toll-free Texas Financial Aid Information call center, as well as assists in the statewide planning, training, and public awareness campaigns.

We think that these types of programs that are already in place have significant potential of encouraging states and institutions to make a greater effort to diversify their higher education enrollments with students from historically underrepresented populations.

With this in mind, TG has submitted this language to Texas Congressional staff and House Education and Workforce Committee staff to begin a dialog to have this type of program made a part of the Higher Education Act. TG, therefore respectfully requests that this letter be submitted to the Subcommittee for its consideration as a supplement to Ms. Flack's testimony.

Thank you for your support and continuing advocacy for access to higher education opportunities for all.

Sincerely,

George C. Torres  
Assistant Vice President  
Congressional/Legislative Relations  
Texas Guaranteed Student Loan Corporation

[An attachment to Mr. Torres' letter follows:]

*An amendment to the Higher Education Act of 1965 to establish a new Chapter to read as follows.*

CLOSING THE GAPS

The Secretary is authorized under this Chapter to establish a pilot program in partnership with States and postsecondary institutions of higher education that recognizes the fact:

1. that the postsecondary education underrepresented populations (primarily Hispanic and Black) are projected to increase from 24% of the country's population today to 34% in 2025;
2. the percentage of these populations represented in grades K through 12 has increased by 55% since 1972, with Hispanic enrollment alone increasing 250%;
3. the postsecondary participation rates of Hispanics and Blacks are less than 15%, contrasted with 67% for Anglos;
4. the populations that will make up a significant percentage (or majority) of the potential labor pool in 20 years, or sooner, will be composed of young adults from those populations—minority and largely low-income—who are the fastest growing and most underrepresented in the nation's postsecondary educational institutions; and,

5. if current trends continue, a growing unskilled and under-educated population that cannot meet the demands of the workplace, an increase in demand for spending on job training, welfare, and Medicaid, lost ground in the global marketplace, and a lower average family income are likely to occur.

The program will reward those states and institutions with competitive matching grants and regulatory relief that develop and implement successful and innovative initiatives with measurable goals that promote access, retention, and graduation rates for underrepresented populations, and that have already established a comprehensive approach to increasing enrollment, retention, and graduation rates of students from postsecondary education to “close the gaps” in participation, success, and excellence by addressing students’ academic, emotional, behavioral, and financial needs, as well as, cultural barriers that may affect their admission to and success in postsecondary education.

Elements of the pilot program are:

#### *Participation*

States and institutions that establish affordability policies that ensure academically qualified students who are able to succeed in postsecondary education are provided with the financial access and resources to enter and graduate from a college or university using a combination of:

- Need-based grants
- Work-study
- Targeted tuition and fee exemptions and waivers
- Affordable tuition and fees that are set and adjusted through a rational methodology
- Institutional incentives that increase affordability for students through administrative efficiencies in the postsecondary educational system
- Enhanced academic preparation for admission to postsecondary educational institutions by requiring the high school college preparatory high school curriculum as the default curriculum for all entering freshmen students
- Programs that focus on recruiting, preparing and retaining well-qualified K-12 teachers
- Statewide comprehensive programs that promote the benefits and availability of a postsecondary education and the availability of financial assistance through the media and toll free information centers
- Link tuition increases to increases in participation, diversity, and graduation rates

#### *Success*

States and institutions that establish programs and policies that will promote and increase the probability of success of students in postsecondary education through:

- Goals to increase postsecondary enrollment in critical areas, e.g., teaching, engineering, computer science, health, nursing, with targeted recruitment, retention, and graduation rates
- Permanent partnerships among the business community, postsecondary education, and low performing middle and high schools to provide mentoring and tutoring services to increase the postsecondary education going rates of students from underrepresented populations
- Linking tuition increases to increases in participation, diversity, and graduation rates
- Encouraging high school students to enroll in freshman courses to strengthen the K–16 initiatives

#### *Excellence*

Access and quality are two sides of the same coin. Emphasizing one at the expense of the other produces mediocrity. In the same way that the overall goal of the No Child left behind Act is to promote excellence in K–12, so should it be within K–16. In order to encourage states and institutions to provide support for academic excellence within their postsecondary educational institutional systems to fully achieve the goal of enrolling, retaining, and graduating more students who will be prepared to enter the workforce, the pilot program will:

- Reward states that make efforts to establish “high quality” academic postsecondary educational programs
- Reward states that increase the number of nationally recognized degree programs or schools
- Offer institutions or states the opportunity to identify one or more high demand/shortage degree programs to improve to a level of nationally rec-

ognized excellence and provide incentives to institutions or states as the steps to reach that goal are achieved

- Fund competitive grants to match state/institutional/business contributions for acquiring software and maintaining instructional laboratories

In developing plans, institutions and states are encouraged to leverage programs already in place, including those sponsored in whole or in part by TRIO or GEAR UP, or other programs established and funded by state legislatures, and through private grants, gifts, and contributions.

Plans will also include performance-based measures.

#### *Eligibility*

The Secretary in consultation with institutions and states that have successfully programs in place, will develop and promulgate criteria and regulations to implement this Section.

In order to be eligible to participate in this program an institution or state will demonstrate to the satisfaction of the Secretary in the plan submitted that a program will provide comprehensive services as described above and will have the support of the state legislature, institutional system, or other locally-based network.

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#### **Letter Submitted for the Record by Marcus Wilson, 2003 President, Texas Association of Student Financial Aid Administrators, et al**

July 18, 2003

TO: The Honorable Howard "Buck" McKeon, Chair  
Subcommittee on 21st Century Competitiveness  
Member, U.S. House of Representatives  
Washington, DC 20515

FROM: Marcus Wilson, 2003 President  
Texas Association of Student Financial Aid Administrators  
Texas Tech University Health Sciences Center  
Lubbock, Texas 79430

Janet Barger, 2003 President  
Association of Texas Lenders for Education  
Citibank  
Grapevine, Texas 76051

Milton G. Wright, President and CEO  
Texas Guaranteed Student Loan Corporation  
Austin, Texas 78720

Dear Mr. Chairman:

The Texas student financial aid community wishes to submit this letter for inclusion in the Subcommittee on 21st Century Competitiveness record of the public hearing convened on July 15, 2003 on expanding access to college for needy students.

The suggested language included in this has already been submitted to the Subcommittee, and this letter should be considered an endorsement of the approach suggested in the proposed language.

Specifically the Texas student financial aid community would like to:

- address a question that was asked during the hearing concerning the state's support for the Texas Closing the Gaps initiative and how the Congress might encourage states to fulfill the promises made through the creation of such efforts; and
- supplement the testimony provided during the hearing concerning the Closing the Gaps effort.

First, upon review of the last two appropriations bills passed by the 77th and 78th Texas Legislatures in 2001 and 2003, no less than \$957 million was appropriated to support those parts of the Closing the Gaps initiative that have as their purpose to provide financial access and enroll, retain, and graduate more students primarily from underrepresented populations from Texas colleges and universities. Yes, Texas, like almost all other states and the federal government, is experiencing severe budget problems. There is no question that without these problems, more could be done in the areas of education and health and human services. It is also true that Texas—more than most other states—has the resources, capacity, and potential to do more in these areas.

However, we feel it is incumbent to make clear for the record, that Texas' state political leadership is continuing to support the Closing the Gaps effort, and certainly appears to be committed to continue this effort, if for no other reason, because

Texas' future social and economic well-being is inextricably linked to ensuring the success of these efforts. We also want to make equally clear that the associations representing the Texas student financial aid community have strongly and actively advocated, and will continue to advocate, in the state legislature, access for more students into Texas' colleges and universities and for increased funding for the Closing the Gaps effort.

On the second point, the Texas student financial aid community wants the Subcommittee to understand that the Closing the Gaps effort concerning outreach and awareness is a statewide effort including professionals, student financial aid directors, college admissions officers, registrars, middle and high school counselors, private sector lenders, the state guarantor, etc. There is no single entity leading the charge. Associations representing these areas are active partners with the Texas Higher Education Coordinating Board in planning, developing, and carrying out the multiple strategies on the Closing the Gaps effort. These professionals, among many other things:

- assisted in developing the plan for the GO Campaign, referred to in the testimony before the Subcommittee;
- assisted in the implementation of Texas Uniform Recruitment and Retention Strategy Plan;
- developed the core content for the GO Campaign's Training Tool Kit for Community-Based Organizations (CBO), which, so far, has been delivered to more than 1,300 CBO representatives at 26 training workshops held around the state;
- translated the GO Campaign's Tool Kit into Spanish; and,
- provides the Spanish language version of the internet website.

The state guarantor administers the Texas Financial Aid Information center's toll-free call center, which provides free, comprehensive information about all state and federal student financial aid programs and admission requirements for Texas colleges and universities at no cost to the state.

In summary, these aspects of the Closing the Gaps campaign are strongly supported by the State of Texas and the higher education and student financial aid communities. We, the Texas student financial aid community, are convinced that that these types of programs that currently exist have significant potential for encouraging states and institutions in making a greater effort to diversify their higher education enrollments with students from historically underrepresented populations.

We therefore strongly encourage the Subcommittee to consider similar language to that attached for inclusion into the Higher Education Reauthorization legislation to "help and encourage states to fulfill the promises made in initiatives like" Closing the Gaps.

Thank you for your support and continuing advocacy for access to higher education opportunities for all, and, on behalf of the Texas student financial aid community, we invite the Subcommittee to hold a hearing in Texas to learn more about the Closing the Gaps effort from representatives of all of the partners involved in the delivery of its programs and services. TASFAA, ATLE, and TG would be pleased and honored to work with your offices to coordinate and sponsor the event.

["Closing the Gaps", an attachment to this statement, was also submitted by Mr. Torres and can be found at the end of his letter.]

