MONDAY MORNING GROUP OF WESTERN RIVERSIDE COUNTY ADVOCACY PRIORITIES – WASHINGTON, D.C. April 9 – 11, 2024

PREPARING A HIGHLY-EDUCATED AND SKILLED WORKFORCE

<u>ISSUE</u>: The Inland Empire region (Riverside and San Bernardino Counties) in Southern California, with a population of 4.5 million, has historically struggled with higher unemployment compared to many other regions across the country. This fact, coupled with a low college-going rate, means employers struggle to find skilled and educated workers to advance the region's economy.

<u>ACTION:</u> The Monday Morning Group strongly urges Congress to support programs and funding that provide access to higher education and job skills that are critical for the 21st Century including short term programs (Certificates of less than 16 units). Pell Grant funding must keep pace with inflation by doubling today's maximum award of \$6,895 for a maximum award of \$13,790. This is necessary to help students graduate without a mountain of debt. Since it was created in 1965, the Federal Pell Grant has provided funding to help low-income students pay for higher education. We also support the continued funding of Pell for summer attendance, which allows students to finish their degrees more quickly and incur less debt.

Doubling the maximum Pell Grant award and indexing it to inflation ensures that all students who wish to attend higher education can afford to do so and protects the Pell Grant from inflationary pressures that have eroded the grant's purchasing power over time. This increase would substantially contribute to students' overall aid packages and will help sustain students' basic needs—including housing and food security, health care and access to childcare—and promote on-time graduation among the most vulnerable student populations.

Additionally, the Monday Morning Group also urges Congress to protect those students who must borrow. We are especially concerned about the elimination of in-school interest subsidies on undergraduate student loans and the borrowing cap for graduate students, which would likely put graduate and professional studies, including medical school, being out of reach for many low-income students.

Moreover, the Monday Morning Group recommends removing barriers to student eligibility, including bringing back qualification through the successful completion of six degree-applicable units or passing an approved Ability to Benefit test, which were eliminated for new students in 2012. We also urge reduction of the gap between California Community College Pell Grant award amounts and University of California/California State University Pell Grant award amounts for students."

BACKGROUND: The Inland Empire needs more college graduates. A 2017 Lumina Foundation report found that of the 25 largest urban areas in the nation, the Inland Empire has the lowest percentage (27.7%) of adult residents with postsecondary degrees. Although the Inland Empire is the fastest-growing region in California, a large share of the population will likely not have the higher education or technical skills required in the coming years. Investments in programs that advance affordable access to 2-year and 4-year degrees are imperative. Additionally, continued limited state resources means federal programs and resources are vital to the economies of the state and nation.

The Inland Empire needs to increase the number of people obtaining degrees and certificates (career and technical education) to match the needs of the job growth sectors for our region. According to the California Community Colleges, if only 2% more Californians earned an associate degree, the state's economy would increase by \$20 billion and tax revenue would grow by \$1.2 billion annually. More importantly, 174,000 new jobs would be created throughout the state and the unemployment rate would be reduced. These numbers are only further enhanced when applied to four-year institutions.

¹ <u>Lumina Foundation. (2017). A Strong Nation: Learning beyond high school builds American Talent</u>, p. 3. Retrieved from blob:http://strongernation.luminafoundation.org/dafcee9a-ad55-4133-b99a-70e9e73ee668.

² California Community Colleges. (June 27, 2012). *Press Release: California Community Colleges Chancellor Jack Scott Says Colleges Will Have to Make More Cuts to Programs under New State Budget Agreement*, p. 3. Retrieved from http://www.californiacommunitycolleges.cccco.edu/Portals/0/DocDownloads/PressReleases/JUN2012/MEDI A STATEMENT ScottOnBudgetSigning FINAL 062712.doc.

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The specific programs of interest include doubling Pell Grants and maintaining summer Pell Grants, supporting Gear Up, TRIO, and Hispanic-Serving Institutions, as well as workforce development funding such as the Department of Labor's Community College and Career Training Grants Program. Many students at Inland Empire colleges and universities are eligible for Pell Grants. Without these grants, or with a reduced Pell Grant amount, many students, the majority of whom are first-generation college attendees, will no longer have access to education and training.

Pell Grants are the federal government's main tool for helping low-income students afford college. In 1980, Pell Grants covered more than 75% of the cost to attend a 4-year public university. Today, the maximum award covers just 28%. The financial instability brought on by the COVID-19 pandemic has made the eroding value of Pell Grants even more problematic for millions of college students and their families. This means that many students are taking on more debt to attend college during already-challenging financial times. Because the economy is directly tied to the level of educational and workforce development attainment, it is imperative to invest in programs that advance an educated and skilled workforce.

Inland Empire University Students Receiving Pell Grants

(\$ in dollars for 2022/2023)

Institution	# of Students	% of Students	Total \$	Average \$
University of California, Riverside	11,496	52.2%	\$62,440,375	\$5,431
California State University, San Bernardino	10,539	51.0%	\$53,201,406	\$4,289
La Sierra University	643	51.0%	\$3,230,557	\$5,024
California Baptist University	3,899	41.0%	\$18,621,015	\$4,776
Riverside Community College District	13,002	27.4%	\$44,627,082	\$3,432
Mt. San Jacinto College	6,603	33.4%	\$23,183,874	\$3,512