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## U.S. Education Faces 'Access Crisis' If Need-Based Aid Programs Are Not Revived, Report Says

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Washington

More than 35 years after the creation of the federal student-aid programs, financial barriers are still keeping many of the neediest students from pursuing a higher education, according to a report released on Wednesday by a group that advises Congress and the Education Department.

[The report](#), by the Advisory Committee on Student Financial Assistance, says that the gap in the college-going rates between students from low-income families and those from high-income families is nearly as wide as it was three decades ago, and is expected to get much worse as a tidal wave of new students is expected to flood college campuses over the next 15 years.

The federal government must "immediately revitalize" the need-based aid programs, the report states, or risk "an access crisis" that could have "a profound impact" on the country's well-being.

"We feel that our nation is at a very critical juncture, one that will determine our economic future for a significant portion of this century, and the economic opportunity available to many Americans," Juliet V. Garcia, president of the University of Texas at Brownsville and the chairwoman of the advisory committee, said at a news conference Wednesday unveiling the panel's report.

According to the report:

- The percentage of high-school graduates from families earning below \$25,000 per year who go to college continues to lag 32 percentage points below families earning above \$75,000.
- Low-income students attend four-year colleges at half the rate of their higher-income peers, and graduate from those institutions in much smaller proportions.
- Disadvantaged students, out of financial necessity, attend community colleges or trade schools at much higher rates than their peers. For example, 47.3 percent of students from families with incomes under \$10,000 attend community colleges, compared with only 8.6 percent of students from families with incomes over \$100,000.
- The college enrollment of 18- to 24-year-olds is expected to increase by 1.6-million by 2015, with almost half expected to come from the most disadvantaged families.

The committee's report says that the federal government, states, and colleges have shifted their attention away from helping the neediest students to bolster more-politically popular programs that aim to make higher education more affordable for middle-class families. The report criticizes the tuition-tax credit programs that the Clinton administration pushed through Congress in 1997, saying that they "do not benefit most low-income

families," who don't pay taxes.

The report also criticizes states for pouring money into merit-based aid programs, like Georgia's HOPE scholarship program, that provide grants to students based on high-school grades rather than on financial need. (See an [article from \*The Chronicle\*](#), January 19.)

According to the report, financing for merit programs in the states has increased by 335 percent since 1993, while money for need-based aid programs has risen by only 88 percent during the same period. If the economy continues its downturn, the need-based aid programs will probably take a bigger hit than the merit programs, the report states.

"The political popularity of recent increases in state merit-based aid programs may protect these programs from cuts as the need-based programs are reduced, further exacerbating the erosion of support for low-income students," the report states.

The committee acknowledges that the Pell Grant program received large budget increases during the Clinton administration, with the maximum award growing from \$2,300 in 1993 to \$3,750, which it will be starting next fall. But those increases did not make up for the loss of buying power the grants suffered during the 1980's and early 1990's, when little new money was put into the program at the same time that college tuitions were skyrocketing, the report states.

As a result, the report says, the maximum Pell award has fallen significantly as a percentage of cost of attendance over the last 25 years -- from 84 percent of public four-year costs in the 1975-76 academic year to 39 percent in the 1999-2000 academic year. To recover the buying power that the Pell Grant had in the mid-1970's, the report estimates, Congress would have to increase the Pell Grant maximum to over \$7,000.

Committee members say they hope that the Bush administration will take the report into consideration when crafting its student-aid proposals.

While campaigning in August, Mr. Bush proposed raising the maximum Pell Grant for first-year students to \$5,100 within five years. (See an [article from \*The Chronicle\*](#), February 16.) The big first-year award would help keep low-income students in college by allowing them to avoid taking out large student loans right away. Mr. Bush has also proposed giving an extra \$1,000 to Pell recipients who took college-level mathematics and science courses in high school, to encourage more students to pursue careers in technological fields.

Committee members praise Mr. Bush for calling for spending increases on Pell Grants, but they express skepticism about his proposal to award larger grants to first-year students.

"Attempts to alter low-income student behavior by experimenting with the award structure of underfunded, need-based programs -- whether federal, state, or institutional -- should be avoided," the report states. "The programs require full funding, stability, and predictability -- not experimentation."

The report, "[Access Denied: Restoring the Nation's Commitment to Equal Educational Opportunity](#)," is available online (requires [Adobe Acrobat Reader](#), available free).

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