July 1, 2025

The Honorable John Cornyn 517 Hart Senate Office Building Washington, D.C., 20510 The Honorable Ted Cruz 167 Russell Senate Office Building Washington, D.C., 20510

Dear Senator Cornyn and Senator Cruz,

On behalf of EdTrust and the 28 undersigned organizations from across Texas, we write to offer our perspective regarding potential changes to the Pell Grant program within forthcoming federal budget reconciliation legislation. With 70 percent of our state's jobs projected to require a postsecondary credential by 2036, access to higher education has never been more necessary to sustain the Texas Miracle and unlock the American Dream for hardworking Texas families.

We thank the Senate Committee on Health, Education, Labor, and Pensions (HELP) for additional funding to help address the Pell shortfall and removing harmful Pell eligibility restrictions passed in the House version. For more than 492,000 Texas recipients – roughly a third of all college students in the state – Pell Grants provide flexible financial aid to pursue the educational path that matches their aspirations and busy lives. Maintaining this flexibility is essential for today's Texas students - the majority of whom enroll part-time while balancing work, caregiving, and other professional and personal responsibilities.

House-passed eligibility restrictions would (1) require students to be enrolled at least 30 credit hours per year, up from 24, to receive a full Pell award; and (2) eliminate eligibility entirely for students enrolled less than half-time (or 7.5 semester credit hours under the new definition).

These eligibility changes would impact an estimated 360,000 Texas students, leading to a loss in grant aid of between \$353 million and \$493 million.¹ Working students, parenting students, students with disabilities, and incarcerated students would be hit the hardest.

These Pell eligibility restrictions would devastate our state's community colleges, which serve over 700,000 Texans and rely upon Pell Grants as their largest single source of financial aid. With more than 78 percent of students attending part-time, the Texas Association of Community Colleges estimates at least 80 percent of their Pell recipients statewide would be affected.²

A recent Texas Higher Education Coordinating Board survey found that **cost remains the number one barrier to higher education for over 80% of students**³ and the loss of Pell aid is likely to

³ Texas Higher Education Coordinating Board (2025). <u>Perceptions of Higher Education: Student and Parent Goals and Attitudes.</u>



¹ American Council on Education (2025): <u>Analysis of Proposed Student Aid Changes in House Reconciliation Bill.</u>

² Texas Association of Community Colleges letter dated June 18, 2025.

significantly reduce the number of students able to complete postsecondary credentials at a time when employers across the state are struggling to find enough skilled workers to fill open positions. Texas is already underfunding state grant programs used to supplement Pell – only **68% of eligible students receive aid** – so filling the gap left by the House's proposed Pell restrictions would be nearly impossible. Finally, Texas taxpayers spend more than \$150,000 to educate every student from Kindergarten through 12th grade. These restrictions would undermine the state's return on that investment by limiting students' postsecondary education, employment, and earnings.

We respectfully urge you to advance the Senate HELP version of the budget reconciliation bill and help ensure Texas students continue to access the financial aid they need to pursue upward mobility and contribute to our state's economic growth.

Sincerely,

Austin Community College Mental Health America of Greater Houston

Alvin Community College National Parents Union

Arlington Baptist University Opportunity Austin

Breakthrough Central Texas PelotonU

BridgeYear Philanthropy Advocates

Dallas Regional Chamber Texas Association of Business

EdTrust in Texas Texas Business Leadership Council

Teach Plus Texas

Young Invincibles

Educate Texas Wharton County Junior College

Every Texan

Kilgore Area Chamber of Commerce

Girls Empowerment Network

The Commit Partnership

Empower Schools

Faith Commons

For Oak Cliff

Greater Houston Partnership

Latino Texas Policy Center

Lee College

Longview Chamber of Commerce

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