

December 9, 2021

The Honorable Chuck Schumer
Majority Leader
United States Senate
The Capitol
Washington, DC 20515

The Honorable Patty Murray
Chair
Senate Committee on Health,
Education, Labor and Pensions
Washington, DC 20510

Dear Leader Schumer and Chair Murray:

We write to urge you to modify the House-passed version of the Build Back Better Act to include all low-income students in the proposal to increase the Pell Grant. The current version of the bill prohibits approximately 900,000 low-income students that attend for-profit colleges from accessing the expanded Pell Grant. This proposal will disproportionately hurt minority students and will adversely impact workforce development for essential workers in high-demand fields.

The COVID-19 pandemic has highlighted worker shortages in certain sectors of our economy. For-profit colleges play a critical role in providing access to educational opportunities that train students to become essential workers. This includes training students to be nurses, allied healthcare professionals, crane and heavy equipment operators, underwater construction divers, cybersecurity professionals, welders, truck drivers, renewable energy technicians, HVAC specialists, and aircraft and automobile technicians. Public policy should be designed to provide access to these training opportunities for all individuals, especially minority and nontraditional students.

As unemployment continues to decline, workforce shortages have become more evident. The healthcare sector will need 200,000 new nurses per year to meet increased demand and replace retiring nurses,¹ and for-profit colleges produce approximately one-quarter of all nurses. The trucking industry is short 80,000 drivers today and shortages may grow to 160,000 by 2030.² Projections estimate that we will need 642,000 more auto/diesel/collision techs in the next three years.³ There is a shortfall of 80,000 trained HVAC technicians, which is expected to grow to 180,000 by 2025.⁴ Additionally, there are nearly 465,000 unfilled cybersecurity jobs.⁵ These workforce shortages cause delays to consumers and drive up costs for everyday goods and services, leading to inflation.

¹ American Hospital Association, Fact Sheet: Strengthening the Health Care Workforce, (last visited Nov. 23, 2021), <https://www.aha.org/fact-sheets/2021-05-26-fact-sheet-strengthening-health-care-workforce#:~:text=However%2C%20the%20daunting%20challenge%20of,and%20to%20replace%20retiring%20nurses>

² American Trucking Associations, ATA Chief Economist Pegs Driver Shortage at Historic High, (Oct. 25, 2021), <https://www.trucking.org/news-insights/ata-chief-economist-pegs-driver-shortage-historic-high>

³ TechForce Foundation, TechForce Report Reveals Demand for Vehicle Technicians Continues to Outpace Supply by Nearly 3 to 1, (Aug. 31, 2020), <https://techforce.org/techforce-releases-2020-technician-supply-demand-report/>

⁴ Contracting Business, HVAC Technician Shortage Solutions and Opportunities, (Feb. 21, 2020), <https://www.contractingbusiness.com/residential-hvac/article/21123518/technician-shortage-solutions-opportunities>

⁵ James Legg, Confronting The Shortage Of Cybersecurity Professionals, FORBES, Oct. 21, 2021, <https://www.forbes.com/sites/forbesbusinesscouncil/2021/10/21/confronting-the-shortage-of-cybersecurity-professionals/?sh=6923dbdc78b9>

For-profit career schools play an important role in training students to succeed as essential workers. Over 40 percent of for-profit college associate degree graduates work in health professions and over 10 percent work in information technology and cybersecurity positions.⁶ Additionally, for-profit colleges graduate nearly half of all transportation and materials certificate holders and 33 percent of all automobile/automotive mechanics technology/technician associate degree earners.⁷ At a time of such high demand for these workers, why would Congress pursue a policy that limits opportunity for students who want to pursue careers in these high-demand fields?

The for-profit sector serves more diverse students than any other sector in higher education. Nearly 50 percent of students attending for-profit institutions are people of color, as approximately 25 percent of students are Black and 20 percent are Hispanic or Latino. Roughly 67 percent of students attending for-profit colleges are women. Approximately half are first generation students, and more than half are adult learners.⁸ These are the students who will be most disadvantaged by this misguided policy.

Unfortunately, increases to the Pell Grant have failed to keep pace with inflation.⁹ The Pell Grant would need to be roughly \$8,000 to have the same buying power as it did when the program was first created.¹⁰ We applaud you for attempting to close that gap by increasing the Pell Grant by \$550, but urge you to expand the benefit so that all low-income students in all sectors may benefit from the increase. Amending the House-passed bill to make this change will ensure that all low-income students are supported equitably in their educational pursuits, and that every student is able to choose the educational setting that is most appropriate for them.

The House-passed version of the bill also presents several administrative challenges, as the Pell Grant program was never designed to provide varying levels of benefits based on institutional tax status. Indeed, all undergraduate students fill out the same Free Application for Federal Student Aid (FAFSA), which informs which federal student aid benefits a student can access. Parceling funds out differently by sector adds new complexity to a system that already needs to be simplified.

As the Senate considers modifications to the House-passed bill, we urge you to remove the distinction created in the Pell Grant expansion to ensure all low-income students, and especially minority and nontraditional students, can benefit from the increased award. We stand ready to work with you to improve these provisions to support all low-income students.

⁶ Hanover Research calculations using U.S. Department of Education's IPEDS data (2019).

⁷ CECU, Private Career Schools Play a Vital Role in Infrastructure, (Aug. 2021), https://www.career.org/uploads/7/8/1/1/78110552/private_career_schools_play_a_vital_rolefinal.pdf

⁸ Hanover Research calculations using U.S. Department of Education's College Scorecard data (2017-18) for degree-seeking undergraduate students.

⁹ Elizabeth Renter, The problem with Pell Grants: They're not keeping up with the cost of college, MARKETWATCH, Aug. 12, 2020, <https://www.marketwatch.com/story/the-problem-with-pell-grants-theyre-not-keeping-up-with-the-cost-of-college-2020-08-12>

¹⁰ *Id.*

December 9, 2021

Page 3

Sincerely,

American Association of Colleges of Nursing
American Medical Technologists
American Traffic Safety Services Association
American Trucking Associations
Associated Skin, Nail, Hair, Bodywork and Massage Professionals
Association of the United States Navy
Aviation Technician Education Council
Beauty Changes Lives
Career Education Colleges and Universities
Choose Aerospace, Inc.
Commercial Vehicle Training Association
Enlisted Association of the National Guard of the United States
International SPA Association
National Black Nurses Association
National League of Nursing
Non-Commissioned Officers Association
Professional Beauty Association
Special Operations Association of America
Veterans Education Project