

# United States Senate

WASHINGTON, DC 20510

March 9, 2007

The Honorable Kent Conrad  
Chairman  
Senate Committee on the Budget  
624 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Judd Gregg  
Ranking Member  
Senate Committee on the Budget  
624 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Conrad and Ranking Member Gregg:

As the Senate Budget Committee begins consideration of the Fiscal Year 2008 Budget Resolution, we write to indicate our support for an increase in the maximum Pell Grant award from \$4,310 to \$5,100, and strongly urge you to provide that increase in your budget assumptions for the program this year. Proposals over the past year from various groups and constituencies including the Commission on the Future of Higher Education, the President, and members of both parties of Congress, demonstrate broad, bipartisan support for an increase the maximum Pell Grant award. While we are strongly supportive of an increase in the Pell Grant, we urge the Budget Committee to ensure that the increase in Pell Grants does not come at the expense of other important need-based programs like the Supplemental Educational Opportunity Grant program (SEOG), the Leveraging Educational Assistance Partnership program (LEAP) or the Perkins Loan Revolving Fund program.

We were pleased that the maximum Pell Grant award received its first boost in four years to \$4,310 in the recently enacted Joint Funding Resolution for FY 2007. This is a good step in the right direction, but more needs to be done to boost need-based aid for low income students if we are to continue to address the college access issues facing many low-income Americans.

As college costs have increased, the purchasing power of the Pell Grant has continued to decline over the years. In 1975, the maximum Pell Grant represented approximately 80% of the costs of attending a four-year public institution. But in 2001-2002 the maximum Pell Grant covered only 42% of those costs, and by 2005-2006 it covered just 33%. Consequently, an increasing number of students are turning to private loans to cover the costs of higher education. According to the College Board, the amount of private student loans grew about 27% every year between the years of 2000-2001 and 2005-2006. Congress needs to do more to boost need-based aid so that students are not forced to take on unmanageable levels of debt.

We also urge you to protect and support other need-based aid programs like SEOG and the Perkins Loan Revolving Fund. We have heard from a number of our constituents who are supportive of an increase in the Pell Grant maximum award, but who caution against paying for the increase in Pell by cutting SEOG and Perkins Revolving Fund, two programs that serve similar student populations as the Pell. We believe there are other fiscally responsible ways to pay for an increase in the Pell program without having to resort to cutting these other critical education programs. Therefore, we urge the Budget Committee to increase the maximum Pell Grant award to \$5,100, while also rejecting the cuts to SEOG, LEAP and the Perkins Loan program in its budget assumptions for FY 2008.

We thank you for considering our request and look forward to working with you to make higher education more affordable for all Americans.

Sincerely,



Russell D. Feingold  
United States Senator



Edward M. Kennedy  
United States Senator



Susan M. Collins  
United States Senator



Norm Coleman  
United States Senator

Carl Levin  
United States Senator

Olympia J. Snowe  
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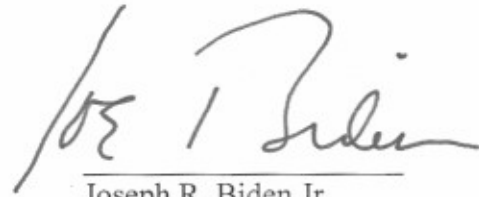
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United States Senator



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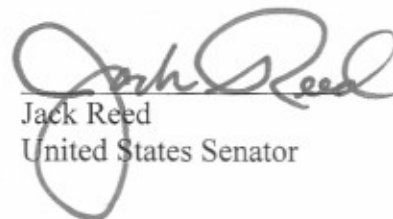
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Sherrod Brown  
United States Senator



Max Baucus  
United States Senator




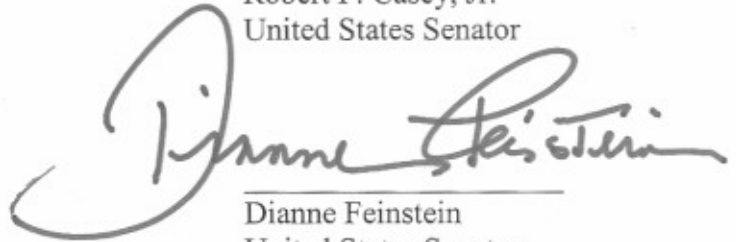
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