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The Widening College Access Gap: Pell Grant Disinvestment and Declining Student Enrollment in the South

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EXECUTIVE SUMMARY

The federal Pell Grant program provides over 6.2 million students each year with financial assistance for college and college-related expenses. Its funding levels, however, are not a given and can fluctuate year-to-year in each budget set by Congress. Inconsistent funding levels are one factor that can impact many students' opportunity to attend postsecondary institutions. Higher levels of Pell Grant funding — and more consistent funding — are essential for many students in the Southern Education Foundation's 17-state region.¹ This is especially true for the many students in the South and across the country with historically lower rates of college enrollment and completion: Black students and students of all backgrounds living in low-income households.

This policy and research brief — produced by The University of Alabama's Education Policy Center (UA-EPC) for the Southern Education Foundation (SEF) — addresses the impact of inconsistent funding for Pell Grants and their power as a tool for supporting students to and through college. Federal and state policymakers should push for higher levels and steadier Pell Grant funding. Policymakers in the South should especially make consistent and reliable Pell Grant funding a top priority in the federal budget, with an eye toward a better-prepared and more skilled workforce to keep the region and nation economically competitive.

Greater support for Pell Grants could also help a wider range of students enter and complete various levels of college. Black students, other students of color, and students from low-income families could benefit the most from greater availability of Pell Grants. Black students and those from low-income families have historically had limited opportunities to pursue college. Before the 1960s, Black students were prohibited from attending most public colleges and universities in the South, hampering many Black families from entering the middle class. Additional support for Pell Grants would continue to help rectify this injustice, while also putting college within reach for millions of additional students in the South and across the country.

Pell is treated like an entitlement, but not funded like one, putting it in competition with other key discretionary funding priorities and threatening its long-term sustainability. Over the course of three Congresses and two U.S. presidencies from 2007-08 to 2011-12, Pell Grant funding grew from \$14.7 billion to \$33.6 billion, the number of individual grant awards jumped from 5.5 million to 9.4 million. More college students took advantage of the Pell Grant as additional discretionary funding became available. Community colleges, regional and flagship universities, and Historically Black Colleges and Universities (HBCUs) saw record-high enrollments and record numbers of Pell grant recipients.²¹

The six years of expanding federal Pell Grant investments were aided by the maintenance-of-effort provisions in the 2009 American Recovery and Reinvestment Act (ARRA). Passed during the Great Recession, this law required

¹Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

²This brief only covers 2007-08 to 2021-22, with a special focus on 2011-12. The 2021-22 data year was the latest available in IPEDS at the time of our analysis. However, we recognize that some HBCUs in more recent years are seeing record enrollment numbers and student applications.

states to maintain total state spending for higher education (operating budgets and state student aid) at 2006 levels for three fiscal years beginning with 2008-09 to receive their allotted share of the \$775 billion in ARRA funds.

In the earlier recessions of 1979-82, 1991-92, and 2001-02, states flat-funded or cut state need-based student aid and while raising tuition. At the same time, states had reduced appropriations for the operating budgets of community colleges and regional four-year universities—including public HBCUs. Thanks to ARRA, this trend did not happen during the Great Recession, allowing the expanded federal Pell investments, made in part to address double-digit unemployment, to go farther.²

As a result, the average Pell Grant rose from \$2,648 to \$3,555, and the maximum Pell award, which only three in 10 students receive, increased from \$4,310 to \$5,550.

However, the Pell Grant funding varies significantly when Congress' year-to-year priorities change. Congress approved a federal budget for fiscal year 2021 that discontinued the ARRA's backfilling of state matching funds for Medicaid. This in turn pressured states to cut state programs including investments in public higher education operating budgets and resulted in universities raising tuition to generate required state Medicaid matches—without raising taxes.

Deeper cuts in state appropriations for public higher education operating budgets occurred from fiscal years 2012 to 2014 than during the Great Recession fiscal years of 2009 to 2011. The withdrawal of federal ARRA funds to states occurred at the same time Congress did not invest additional discretionary funding in the Pell program to cover the expanded Pell awardees from 2006-7 to 2011-12 – even though the December 2012 unemployment rate was still high at 8.3%. This was the “double whammy” – federal Pell cuts and state operating budget cuts.³

In 2012, Congress responded by imposing new Pell eligibility restrictions, meaning that fewer students would qualify for Pell Grants.⁴

While the Maximum Pell Grant remained high, growing by \$265 from 2011-12 to 2016-17, the total amount of federal of funds allocated from the Pell Grant program fell six straight years to 2016-17, limiting the total number of students who could benefit from the program.⁵ Five years later, funding for the Pell program stood at only \$25.8 billion in 2021-22 (to maintain 2011-12 levels, \$39.2 billion would be needed). Meanwhile, average tuition and fees charged by the South's community colleges and public regional universities increased by \$571 and \$1,854, respectively, during the same five-year period, while the Average Pell Grant fell by \$65. The decline in discretionary Pell dollars along with the reduced purchasing power of Pell, impacted many low-income students' and Black students' ability to get to and through college.

The number of Black students enrolled in U.S. colleges and universities fell by 487,109 between 2011-12 and 2021-22. There are many reasons for this decline, including the changes in federal student aid detailed in this report. Other reasons include the declining state investments in higher education, stagnant state investments in need-based student financial aid (based on families' ability to pay tuition), and a changing national economy. The

double-digit unemployment rates in the Great Recession years were followed by the longest sustained period of unemployment rates at 4% or below since World War II. This strong economy, except for the brief unemployment spike during the COVID-19 pandemic, led many prospective college students to enter the labor force instead.

Another primary factor in the falling numbers of Black students in college is states' own student-aid programs. Some states, such as Mississippi and Alabama, provide almost no direct financial aid for students. Other states have generous need-based aid programs based on students' family income, while Georgia and some other states provide only merit-based student aid programs that focus solely on students' academic accomplishments.

We do not conclude that the enrollment decline of nearly a half million for Black students was solely caused by the declining number of Pell awardees after the 2012 eligibility restrictions were imposed by Congress. However, the total amount of aid Congress allocates each year impacts how many students can access and benefit from a college education. Pell Grants remain one of the most important tools for college access available to American students. In fact, our 2022 analysis found that 55% of students enrolled in the 38 public regional universities that also are HBCUs in the South were Pell recipients — a rate 24 percentage points higher than students in the 182 non-HBCU regional public universities in the region.⁶

Colleges and universities often tie their own need-based institutional scholarship programs to students' Pell eligibility, and states with need-based student aid programs follow the same practice.

Pell Grant funding cuts were likely a major factor in the severe national decline in Black students' college enrollment from 2011-12 and 2021-22 — with 58% of the decline happening in the South. (See Figure 1). The South is home to 218 of the nation's 279 majority-Black institutions — a category distinct from Predominantly Black Institutions and HBCUs as legally defined by Congress, and the region enrolls 54% of all Black students in the U.S. **Institutions in the 17 Southern states enrolled 23% fewer Pell recipients in 2021-22 than a decade earlier, and community colleges in the region were serving 46% fewer Pell awardees (as labor shortages took hold during the COVID-19 pandemic).** *Nationwide, there are fewer eligible applications for Pell Grants today (9.2 million) than Pell Grant awards a decade ago (9.4 million). Only 6.2 million students received Pell awards in 2021-22.*

This issue brief details the decline in the college enrollment of Black students and provides data and analysis on the Pell Grant program as one of the most important components in college access for students in the U.S.

Our recommendation based on the data and analysis in this brief: For the Southern states to fulfill projected workforce needs, we strongly recommend that Congress make all annual Pell Grant funding mandatory. We also recommend that states align their community college tuition rates and their eligibility rules for state need-based student aid programs to the Average Pell Grant.

THE WIDENING ACCESS GAP: THE SOUTH'S BLACK ENROLLMENT LOSS AND FEDERAL PELL GRANT CUTS



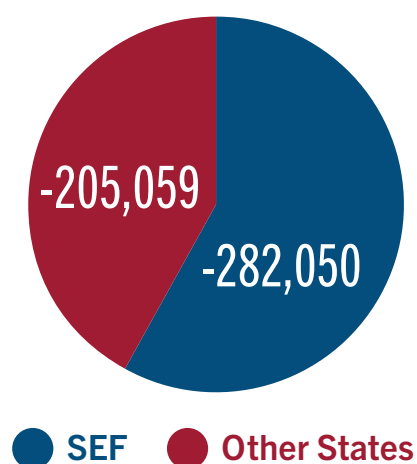
Introduction and Methodology

Our analysis reviews the U.S. Department of Education's Integrated Postsecondary Data System (IPEDS) data, which colleges submit each year as a condition to receive federal funds for student aid (in both grants and loans). The most recent available data for our analysis was from 2021-22. From IPEDS we computed the Average Pell Award (awardees divided by dollars). We obtained Maximum Pell data from 47 *Pell Grant End-of-Year Reports* published annually by the Department. Using both data sources allows us to track trends (Pell awards and college attendance over time).⁷

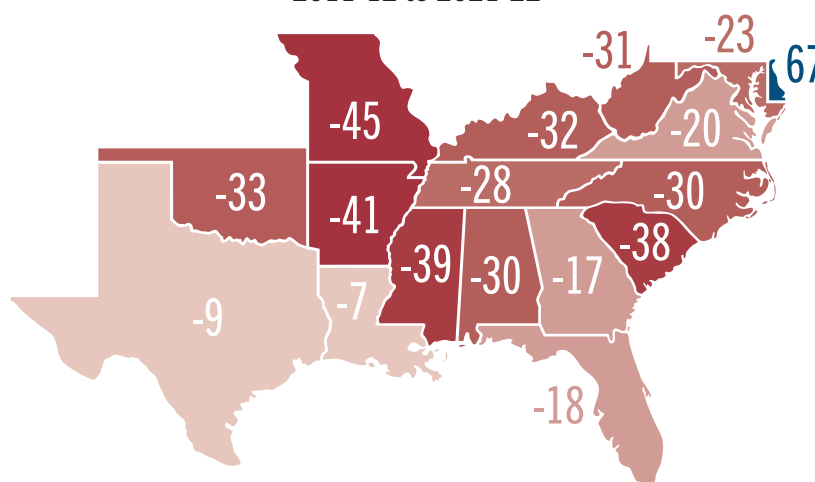
It's important to note that the total Pell funding is among the most complex of any federal program, as the former Senate Budget Committee Chairman Mike Enzi, R-WY, wrote in 2018, its funds come from a mix of discretionary spending and two separate mandatory spending streams.⁸ Four of every five federal Pell dollars are *discretionary funded* through annual appropriations, not *mandatory funded* through a legislative formula set by authorizing legislation like Social Security or Medicaid. If the number of program applicants dramatically increases as occurred in the Great Recession (2008-11), it creates a projected appropriations shortfall in future budget years that can be closed only with additional discretionary appropriations, the lowering of the Maximum or Average Pell Grant awards via new eligibility restrictions, or a combination of both.

In the data presented below, we do not conclude a causal relationship exists between reductions in federal appropriations for Pell Grant program and Black student enrollment loss, but it is one critical factor in many students' ability to afford college.

**Figure 1: The South Accounted for
58% of U.S. Black Enrollment Loss,
2011-12 to 2021-22**



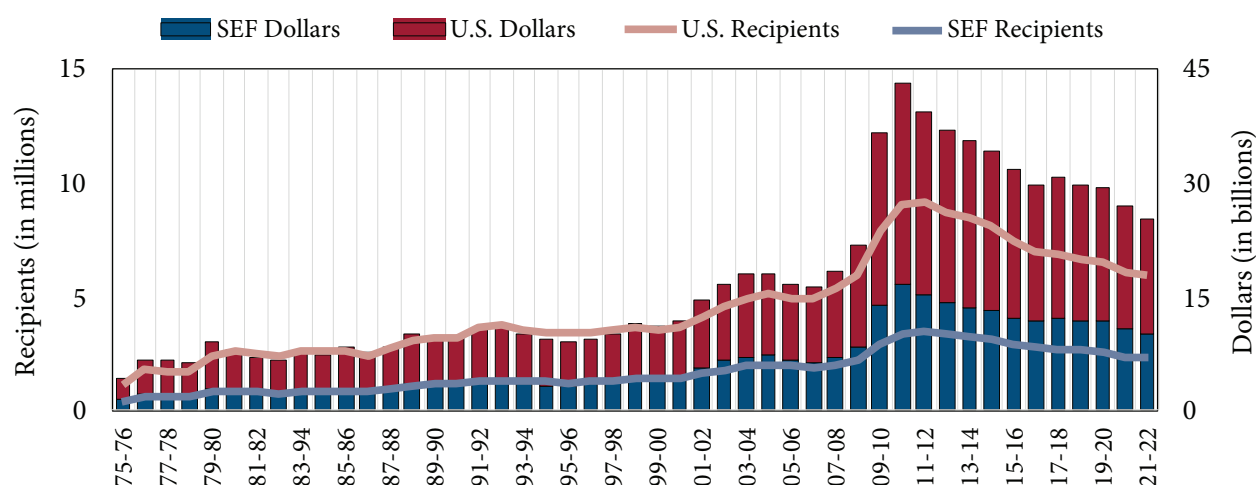
**Figure 2: The South Enrolls
23% Less Pell Recipients from
2011-12 to 2021-22**



Pell Grants: Why Pell Grants Matter

Since 1973, the Pell Grant program has been the foundation of federal direct student aid to help students. Created by the Higher Education Act of 1965, the 1972 Education Amendments renamed the program as “Basic Educational Opportunity Grants,” or BOEG, reflecting Congress’s choice to fund the most financially needy students rather than institutions. A complementary program, “Cost of Education Allowances,” was also authorized by Congress in 1972, whereby funding would be sent to colleges to help them support students on Pell Grants — but this program was never funded by Congress. The BOEG program was later renamed for longtime U.S. Sen. Claiborne Pell, D-R.I. From 1973-74 to 2021-22, the Pell Grant program awarded \$602 billion (or \$834 billion adjusted for inflation in 2021-22) to fund 222 million Pell awards.⁹

**Figure 3: The Unstable Pell Grant Program,
1975-76 to 2021-22**



Over the years, the portion of college costs that Pell Grants cover has diminished. In fiscal year 1975-76, the Maximum Pell Grant covered 75% of the average annual cost of tuition, fees, books, supplies, room, and board) at public four-year colleges. By 2024-25, the Maximum Pell Grant of \$7,395 covered just 26% of those costs, though Congress is now statutorily limited to cover no more than 50% of eligible costs today.¹⁰

Inflation-adjusted Pell expenditures were cut in 22 of the 47 years from 1973-74 to 2021-22, including 10 of 11 years after the Great Recession.

Students are free to spend their Pell Grant at any accredited college or university approved by the U.S. Department of Education. The aid is sent to colleges, not students; if the grant covers all tuition and fees – which it often does not – the remainder is often applied to books and supplies. Students and families use other aid sources (typically loans and other federal student aid programs) to cover additional costs such as room and board. All eligible students are legally entitled to receive Pell awards, according to the formula set by the federal Department of Education. But from the perspective of Congressional budgeting, Pell is not an entitlement program.

Congress and advocacy groups have in the past five decades focused mainly on maintaining the highest Maximum Pell Grant possible. In the 48 years between 1974-75 and 2021-22, the Maximum Pell was increased 32 times, flat-funded 13 times, and cut three times. The last congressionally approved cut to the Maximum Pell Grant happened

in 1993-94. When adjusted for inflation, however, the Maximum Pell Grant increased 25 times and fell 23 times. Still Pell Grants had strong bipartisan support from President George W. Bush and President Barack Obama:

- Federal funding for the program doubled from \$15 billion in 2007-08 to \$34 billion in 2011-12, and the number of Pell Grants awarded grew from 5.5 million to 9.4 million.
- The highest Maximum Pell in the history of the program was in 2009-10, when 31.7% of awardees received the maximum amount. That rate decreased to 26.9% in 2017-18 and 28% in 2021-22.
- From fiscal years 2009-10 to 2021-22, the Maximum Pell Grant grew modestly, from \$5,350 to \$6,495, an increase of \$1,145.
- Average annual tuition and fees grew by \$1,300 at public community colleges, \$2,894 for public regional universities, and \$3,675 for public flagship universities during the same time span, respectively.

If the Pell increase falls short of covering annual tuition and fee increases – and this does not include books and supplies, or room and board – students must borrow additional money, or leave and/or delay college. The Maximum Pell Grant's purchasing power declined in the decade following the Great Recession, before the post-COVID tuition increases ensued.

Though the Maximum Pell award figure is important, our findings conclude that most Pell awardees do not receive the Maximum Pell Grant, and therefore are not able to receive as much aid to attend college. Consider that:

- The gap between the Maximum and Average Pell Grants – most students actually receive the latter – has grown.
- More than seven in 10 students that use Pell aid do not receive the Maximum Pell Grant.
- In the 11 federal budgets that immediately followed the Great Recession appropriations high point of \$35.7 billion for fiscal year 2010-11, the Maximum Pell increases have been so modest that, *adjusted for inflation, the Maximum Pell fell six times in the past 10 years*. The \$150 Maximum Pell increase from 2020-21 to 2021-22 translates into an inflation-adjusted decrease of \$167.
- The Pell appropriation of \$25.9 billion in fiscal year 2021-22 was \$9.8 billion less in current dollars and \$18.7 billion less in inflation-adjusted dollars than in 2010-11 — a decline of 27% in current dollars (and a staggering 42% decrease in inflation-adjusted dollars).

The Maximum Pell Grant has not kept up with inflation. Those receiving the Average Pell Grant – the vast majority of awardees – have fallen further behind. As we noted at the top of this issue brief, there have been no inflation adjustments in federal Pell Grants to help students access college.

On top of the federal appropriations cuts to students are the state cuts to public higher education operating budgets. In 1990-91, states allocated \$78 billion to their nearly 1,500 community colleges, regional, and flagship universities. Funding rose to about \$86 billion in 2020-21, but with about two million more students to cover, state appropriations per full-time equivalent adjusted for inflation declined from \$6,375 to \$5,148.¹¹

In 1974, the U.S. Department of Health, Education and Welfare published an 812-page book, *Statewide Planning for Higher Education*, which was designed to give states guidance as to how to implement the landmark Education Amendments of 1972, which created what became the Pell Grant Program. Kent Halstead, director of the National Institute of Education, emphasized that funding student access was a joint federal-state responsibility.¹²

In its 20-plus reports on Pell Grants since 2012, the Education Policy Center has encouraged states to use the

Average Pell Grant as the key eligibility metric for participation in state- and institution-funded need-based student aid programs, to better align state community college tuition policies and state student aid policies.

For example, tuition and fees for full-time community college students in Alabama averaged \$4,806 in FY2021-22. With yearly books and supplies costs of \$1,763, the total basic costs to attend are \$6,569, and with a Maximum Pell Grant of \$6,495, the costs are almost covered.

But students face the same basic costs of tuition and fees plus books and supplies, whether they receive the Maximum or Average Pell Grant. If the lower Average Pell Grant of \$4,685 for FY2021-22 is subtracted from the \$6,569 cost of attendance figure, it leaves an access gap of \$1,883. Only 71% is covered by Pell, and for no student is transportation or childcare covered, and Alabama has the lowest state-funded program in the South.

Changing Federal Priorities for the Pell Grant Program

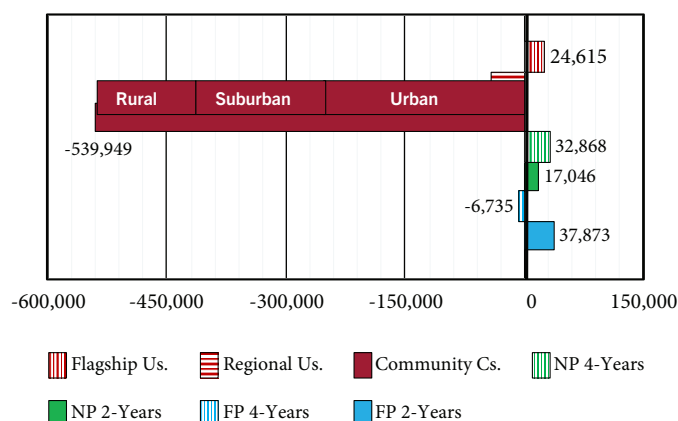
The Average Pell Grant grew from \$2,648 in 2007-08 to \$3,555 in 2011-12, and the Maximum Pell Grant from \$4,310 to \$5,550 during the same four years. Because Pell Grants grew faster than college tuition in those growth years, more students took advantage of the student aid from the Pell Grant program. Regional four-year universities, HBCUs, and community colleges saw record enrollment growth during these years.

Increasing Pell Grant funding was part of the Obama administration's strategy to combat double-digit unemployment rates. About 13 million Americans were unemployed in January 2012 (the unemployment rate was 8.3% and did not fall below 5% until February 2016).¹³ Increasing Pell Grants was popular among Democrats and Republicans during those years, to retrain workers for new jobs, expand college access and success, and address college affordability for low-income and first-generation college students.¹⁴

But the dramatic increase in Pell Grant awardees during the Great Recession created a growing gap in discretionary funded programs between appropriations for fiscal year 2010 and projected program costs for fiscal year 2016. To close this gap, Congress and the Obama administration had three options working within the confines of no new discretionary funding, lowering the Maximum Pell Grant amount, limiting students' access to the program by enacting new eligibility restrictions, or a combination of both. New eligibility restrictions were enacted in June 2012 to take effect that August.^{15, 16}

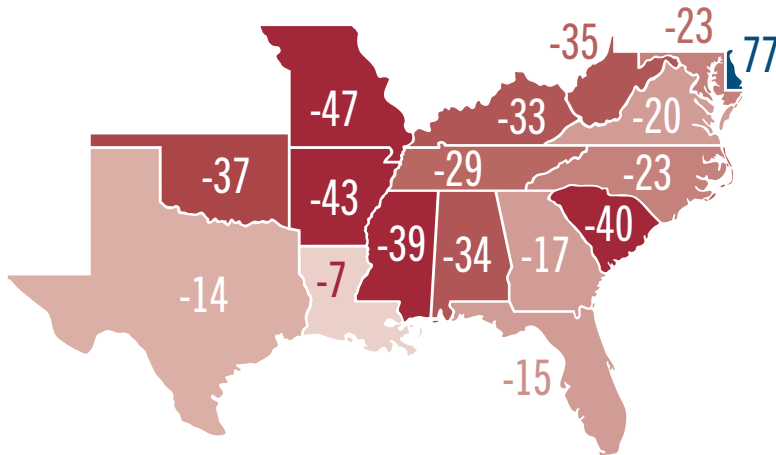
Pell funding fell from \$35.7 billion in fiscal year 2010-11 to \$26.9 billion for fiscal year 2016-17 under the new Pell restrictions and the numbers of awards dropped from 9.3 million to 7.2 million. In the South alone, Pell funding declined by \$2.9 billion (or \$4.8 billion when adjusted for inflation) and the number of students awarded Pell fell by more than one million.

Figure 4: Declines in College Enrollment of Black Students in the U.S. by Type of College, 2011-12 to 2021-22



As Congress considers the federal budget for fiscal year 2026 and going forward, it is important to note that since the U.S. Department of Education opened in 1980, all 13 congressional appropriations bills have been passed just four times.¹⁷

Figure 5: The South Receives 24% Less Pell Dollars from 2011-2012 to 2021-22



Because trillion-dollar omnibus appropriations bills are the primary method by which the federal government does its business, and major funding changes to Pell Grants and many other programs can pass without adequate scrutiny from other lawmakers or the public.

From 2011-12 to 2021-22, Pell funding was raised only once, in 2017-18 (See Figure 3, above). In 2017 and 2018, U.S. Sen. Thad Cochran, R-Miss., and Sen. Richard Shelby, R-Ala., were serving as the chairs of the full Appropriations Committee. They led the Senate Appropriations Committee to vote 29-1 to restore Year-Round (Summer) Pell grants. With Mississippi providing just 6% of total student aid and Alabama just 1%, leaders realized that Pell was their states' de facto student aid program.¹⁸

The budget year when the cuts were approved, 2012, was an election year with the House and Senate under control of different political parties. Earlier, appropriators had cut Pell funding beginning in the omnibus fiscal year 2013 budget bill by tightening eligibility standards.^{19,20}

No hearings were held by the House or Senate education authorizing committees to consider the impact.

Instead, students who applied in the spring of 2012 for Pell aid that fall were told they would receive it, but then were notified by financial aid offices in mid-July, just weeks before the mid-August start of the fall term in many SEF states, because of changes to eligibility standards. Many students were left with the choice of taking on additional debt or dropping out.

*Education is key to
unlocking opportunity.*

Former Sen. Richard Shelby, R-AL

February, 2023

*Access to year-round Pell Grant
funds can help thousands of
students in Mississippi complete
undergraduate studies.*

Former Sen. Thad Cochran, R-AL
*Chairman,
Senate Appropriations Committee*

June 9, 2016

The decision by Congress presented states with a massive challenge: Even if state funds had been available to backfill the gaps in Pell from federal cuts, state legislative sessions had already concluded. Also, access institutions (e.g., regional universities, HBCUs, community colleges) typically lacked endowment income to cover the cuts.

The impact on enrollments was immediate. The UA-EPC presented to the White House Domestic Policy Issues Rural Council in February 2013 our study showing 47 of 62 community colleges in Alabama, Arkansas, and Mississippi had lost enrollment from fall 2011 to fall 2012, and that community college enrollment had dropped by 13,655 students across the three states, in just one year. Since 86% of all college students in these states attended public two- and four-year institutions, the drops in enrollment foreshadowed a coming decline in graduations.²¹

The 2012 Pell eligibility restrictions quickly closed the program's budget gap but also cost many students their financial aid. By fiscal year 2016, federal appropriations for Pell Grants fell from about \$34 billion to \$27 billion, and the number of grants dropped by nearly two million. Despite a nationwide skilled-labor shortage, funding cuts have continued since fiscal year 2016. Expenditures fell to \$26.4 billion by fiscal year 2021 and the number of awards to 6.2 million compared with 9.4 million a decade earlier — a decline of more than one-third in the number of awards. As federal COVID-era recovery funding ends, will the post-Great Recession Pell cuts in Pell Grants be repeated?²²

Additional Impact on the South and The Nation

The 17 SEF states play a critical leadership role in the education of Black Americans and growing numbers of other students of color. Southern states are home to the vast majority of the nation's majority-Black public and private HBCUs. College enrollments were hit hard by cuts to Pell funding, as many institutions lack endowments that could help offset the cuts. Tuition and fees began to climb, while Black students' enrollment, available Pell dollars, and the number of Pell awardees fell after 2011-12. A decade later, colleges and universities in Southern states enrolled fewer Pell Grant recipients (23% less) and accepted less total Pell Grant funding (24% less) than they did in 2011-12. (See Figure 6 for data on the region and each Southern state.)

Enrollment at public, private nonprofit, and private for-profit colleges in the South declined by 521,241 students, from 2011-12 to 2021-22. Enrollment rose in the region's public Flagship Universities (by 24,615), Nonprofit Two-Year (by 17,046), and For-Profit Two-Year (37,873) colleges. Enrollment fell primarily in community colleges, four-year regional universities, and non-selective four-year universities — sectors that have long served large numbers of Southern Black students.

Enrollment has fallen fastest among individuals who stand to benefit the most in terms of income and other measures of well-being. The South's public rural, suburban, and urban community colleges enrolled 19% fewer students in 2021-22 than a decade earlier. Black students' enrollment was down by 29% in public rural community colleges, 29% in suburban community colleges, and 28% in urban community colleges. This lower enrollment means less opportunity as fewer students complete first certificates and associate degree courses for workforce entry. That fewer students enroll in general education and core classes that transfer means lower numbers of bachelor's degrees. Hispanic students' enrollment, an important barometer but not the focus of this report, was up in states such as Texas and Florida, but not at rates that mirror their growth in high school graduation classes.

Figure 6: The Decline of the Pell Grant Program in the South, 2011-12 to 2021-22

Region	# of Institutions			Pell Program Change				Enrollment				2011-2012 Average			2021-2022 Average		
	Total	Less Enroll	Less Black Enroll	Dollars Awarded		Recipients		Total		Black Total		Pell Grant	Tuition/ Fees + Books/ Supplies	% Pell Cov.	Pell Grant	Tuition/ Fees + Books/ Supplies	% Pell Cov.
				\$	%	#	%	#	%	#	%						
AL	61	42	40	-194,092,066	-34	-34,598	-30	-23,126	-6	-21,714	-19	5,076	13,638	37	4,843	16,492	29
AR	51	40	32	-153,703,110	-43	-30,175	-41	-45,702	-20	-15,852	-36	4,890	12,552	39	4,746	13,641	35
DE	7	3	2	22,764,556	77	5,010	67	18,475	37	5,015	52	3,964	15,862	25	4,197	46,136	9
FL	177	88	73	-287,489,052	-15	-77,815	-18	-80,981	-6	-27,286	-11	4,583	13,658	34	4,784	16,900	28
GA	108	55	53	-163,821,383	-17	-32,992	-17	65,893	12	-340	0	4,968	15,691	32	4,968	17,543	28
KY	59	37	30	-155,867,299	-33	-32,773	-32	-28,512	-8	-4,813	-14	4,584	15,726	29	4,503	16,683	27
LA	57	32	28	-30,530,985	-7	-5,768	-7	-16,665	-5	-908	-1	4,829	16,591	29	4,795	19,038	25
MD	50	37	28	-94,566,028	-23	-22,517	-23	-52,427	-11	-25,630	-19	4,251	18,333	23	4,266	27,403	16
MS	34	25	24	-179,658,888	-39	-34,515	-39	-29,173	-13	-20,719	-23	5,163	10,585	49	5,136	9,223	56
MO	94	63	51	-306,662,897	-47	-62,637	-45	-141,128	-25	-30,991	-41	4,668	19,444	24	4,481	22,280	20
NC	138	92	93	-251,590,418	-23	-67,449	-30	-48,154	-7	-38,380	-21	4,833	14,202	34	5,297	16,998	31
OK	48	38	34	-141,193,272	-37	-26,171	-33	-63,887	-22	-10,563	-36	4,829	13,967	35	4,554	14,984	30
SC	63	38	38	-209,372,662	-40	-39,788	-38	-34,573	-11	-25,878	-28	5,008	17,704	28	4,854	20,728	23
TN	82	44	44	-173,966,643	-29	-35,920	-28	-30,125	-7	-10,772	-14	4,689	19,633	24	4,628	20,478	23
TX	227	104	107	-332,664,509	-14	-46,333	-20	103,396	-6	-13,858	-5	4,881	14,333	34	4,640	16,213	29
VA	103	65	56	-133,012,383	-20	-31,853	-20	-71,448	-9	-27,947	-18	4,382	20,149	22	4,435	29,190	15
WV	45	32	29	-83,284,075	-35	-15,620	-31	-43,104	-18	-11,414	-34	4,774	11,760	41	4,520	15,564	29
SEF	1404	835	762	-2,868,911,074	-24	-591,914	-23	-521,241	-6	-282,050	-15	4,763	15,427	31	4,738	18,285	26

At the South's public regional universities, Black student enrollment fell by 15,280 students or 3.6% from 2010-11 to 2020-21. In the South's private nonprofit colleges and universities, Black student enrollment fell by 20,660 or 7.5%. Urban regional universities in southern states saw a loss of 9,451 Black students or 8.5%, even as their total enrollment grew by 19,488 students or 5.5% in the same decade. If one assumes that public community colleges, public regional universities, and private nonprofit colleges (including some HBCUs) are the key portals of entry for Black students, this is troubling.

A total decline in Pell appropriations may explain some of the decline in Southern community college enrollments. From 2011-12 to 2021-22, the South's rural, suburban, and urban community colleges took, respectively, cuts in Pell funding of 32%, 30%, and 30%, respectively (adjusted for inflation those percentages were steeper, at 44%, 42%, and 42%, respectively). The overall loss in Pell in current dollars was \$1.7 billion, and \$2.8 billion in inflation-adjusted dollars. The federal cuts far exceeded the modest state increases in need-based student aid. The South's Black majority-enrollment community colleges, many in rural areas, took the brunt of the cuts to Pell, suffering an enrollment drop of 55%, or nearly 48,700, lowering the number of students using Pell awards at the South's majority-Black colleges and universities. Adjusted for inflation, the losses amounted to \$225 million or 53%. From 2010-11 to 2020-21 across the South (see Figure 6):

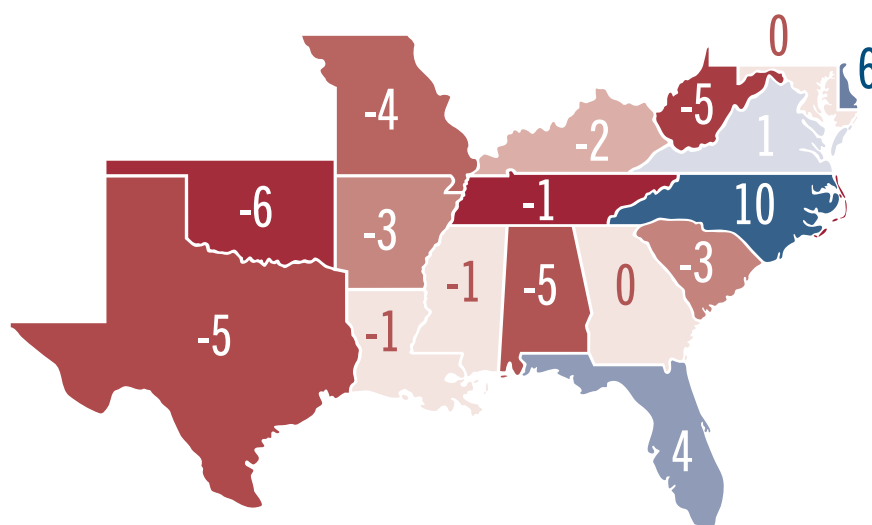
- Total college enrollment fell in 14 of 17 states. Black student enrollment fell in 16 of 17 states.
- The number of Pell Grant recipients fell in 16 of 17 states.
- The percentage of students receiving Pell Grants fell in 16 of 17 states.
- Pell funding levels fell in 12 of 17 states (and 16 of 17 when adjusted for inflation).

By contrast, tuition and fee revenues increased in all 17 states. While the Average Pell Grant grew by 20% when adjusted for inflation, it actually fell by 1%. Yet average community college tuition and fees charges surged by 42%, and the average tuition and fees covered by the Average Pell Grant across all 17 states fell by 7.3%.

In the South, unlike other regions of the country, substantial numbers of Black people live in rural areas – 80% of the rural U.S. Black population lives in the South, representing nearly four million individuals²³ and nearly 15% of the total southern Black population.²⁴ We examined trends in enrollments and Pell awards and funding at rural, suburban, and urban public institutions using the Mission-Driven Classification of institutions of higher education to reveal geographic and sector differences.²⁵

The numbers of Pell recipients in the South fell from 2011-12 to 2021-22, in nearly every geographic type of public community college and public regional university. There were 40% fewer Pell Grant recipients at community colleges and 12% at regional universities in the South compared to a decade earlier. The number of Pell Grant awards fell faster than overall enrollment at Black-majority institutions: Enrollment declined 20% community colleges, 2% at regional universities, and 22% at Black majority colleges. Southern college enrollment declines track closely to Pell cuts.

Figure 7: The Average Pell Grant Has Lost Value from 2011-12 to 2021-22



Total enrollment, total Black student enrollment, Pell dollars, and Pell Grant awardees are all down over the past decade, both in the South and nationally. Across all U.S. public colleges – 950 community colleges, 439 regional universities, and 107 flagship universities – enrollment was down by a total of 2.4 million students or 7.5% from 2011-12 to 2021-22. Total Black student enrollment fell by 17%. Since public flagship university enrollments modestly increased, declines were steeper at community colleges and regional universities (including public HBCUs) that serve many Black students. Nationwide:

- 12-month enrollments at America's 950 community colleges fell from 11.2 million in 2011-12 to 8.6 million a decade later, a decline of 2.6 million students, or 23%.
- The nation's 572 rural community colleges saw enrollments fall by nearly 925,000 students, or 24%, compared to 820,137 or 23% at their suburban and 859,983 or 22% at urban counterparts.
- Black students' enrollments suffered the greatest decline of any racial-ethnic group. Nearly 3.5 million Black students attended college in 2011-12, but enrollment had dropped to just under 3 million a decade later, a decline of 14%. The number of Black students in community colleges fell by one-third, from 1.6 to 1.1 million.
- Black student enrollment at public institutions was falling at high rates. Overall, there were more than a half-million fewer Black students in public colleges and universities in 2021-22 than a decade earlier, a drop of 22%.

- Majority-Black community colleges in the southern states lost 55% of their Pell awardees and 36% of enrollments between 2011-12 and 2021-22. Urban majority-Black community colleges had 57% fewer Pell awardees and 46% fewer students.
- Tuition and fees at public institutions rose far faster than increases in Pell Grants. From 2011-12 to 2021-22, total tuition and fee revenue increased by \$42 billion or 31%, while federal Pell funding was cut by \$2.3 billion less, a loss of 9.4% — a 25% decline when adjusted for inflation.

Of the nation's 4,022 institutions, 1,838 are located within the 17 Southern states, where:

- The decline in Pell awardees of 33% at majority-Black Southern colleges compared to the 24% Southern average decline, has led to a 21% enrollment loss versus the 6.4% Southern average.
- The South's rural community colleges serve much higher percentages of Black (and Hispanic) students than rural community colleges in other regions. Students of color are the majority in many of these colleges in the South.
 - Of the 614,277 Southern Black community college students enrolled in 2020-21, 37% were enrolled at urban, 25% at suburban, and 38% at rural community colleges.
 - The 17 Southern states enrolled 44% of all rural, 28% of all suburban, and 36% of all urban community college students. They enrolled 72%, 50%, and 49% of the nation's rural, suburban, and urban Black community college students.
- While Southern states represent 36% of total enrollment, they enroll 54% of all Black students nationally, and are home to 218 of the nation's 279 majority-Black institutions.
- In 2020-21, the 1.1 million Black community college students comprised 54% of the 2.0 million Black students attending public institutions of higher education.

Figures 8, 9, 10, and 11 on the page following analyze how the Average Pell Grant coverage declined when compared to the average tuition and fee charges since 2011-12 at four access colleges. Average Pell Grant coverage is a good metric for state and institutional leaders to pay attention to as they try to align federal need-based student aid (Pell) with local programs. Pell funding and enrollments grew at all four institutions from FY2006-7 to FY2011-12.

CASE STUDIES OF HOW FEDERAL PELL CUTS IMPACT COLLEGES

The South's rural community colleges, unlike other rural community colleges in other regions, enroll large numbers of Black students. Across the South, 18% of rural community college enrollment are Black students, as compared to 5.8% for rural community colleges nationally. George C. Wallace Community College – Selma provides a good example of this (Fig. 10).

Figure 8:
Broward College (FL)

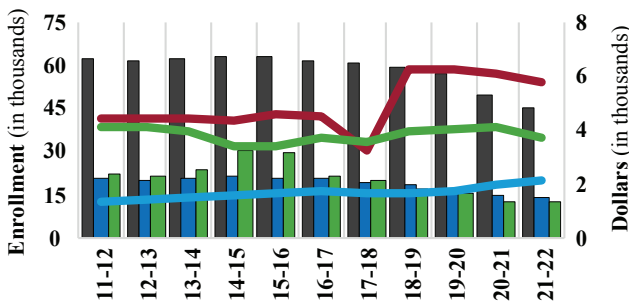


Figure 9:
Albany State University (GA)

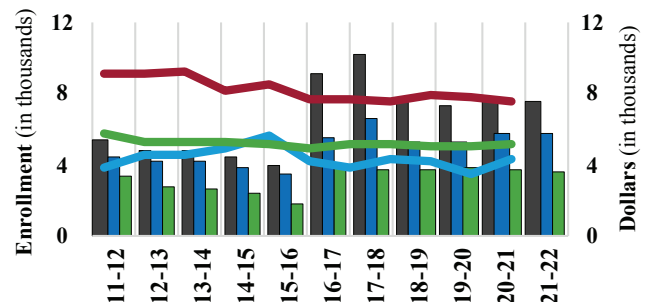


Figure 10:
Wallace Community College - Selma (AL)

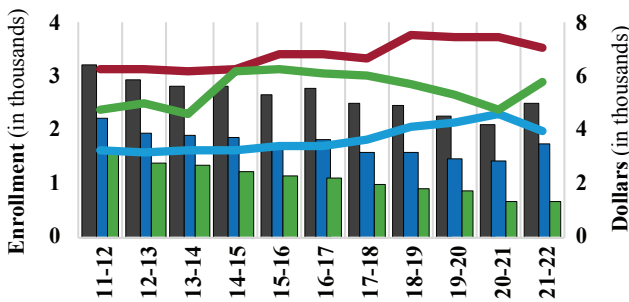


Figure 11:
University of Southern Miss. (MS)

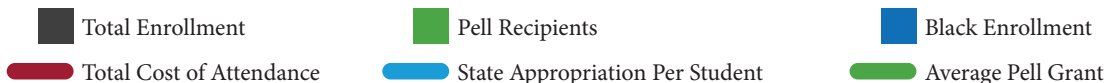
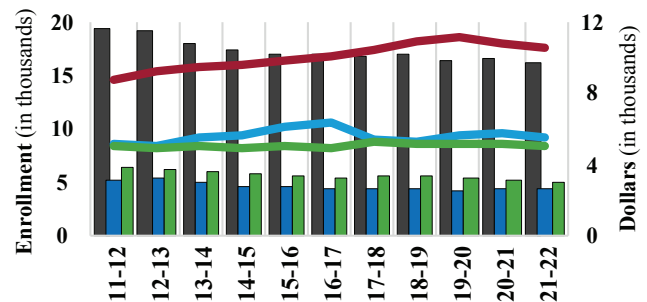


Figure 11 shows that total enrollment at the University of Southern Mississippi (USM) fell by 2,557 students or 13% from 19,418 to 16,861 between 2011-12 and 2017-18, as the number of Pell awards fell by 881 students from 6,517 to 5,636, a decline of 14%. Black enrollment fell by 916 students from 5,355 to 4,439, a decline of 17%. Tuition and fees were raised to maintain the programs and services USM had when it enrolled 19,000 students. In-state tuition and fees were raised by \$1,861 or 32%, from \$5,834 to \$7,695, an increase 10 times higher than the Average Pell increase of \$162, from \$4,197 to \$4,359.

We see the interaction of expanding and contracting federal Pell funding, flat or declining state appropriations for operating budgets, the loss of tuition and fee revenue, and the lack of state-level need-based student aid at Albany State University (ASU) in southwest Georgia (Fig. 9). ASU is a public regional HBCU where 4 of 5 students receive Pell Grants. Full-time enrollment at ASU rose from 3,815 in Fall 2009 to 5,405 in 2011-12, as federal Pell funding doubled. Tuition and fee income rose from \$10.3 million in FY2009 to \$16.2 million in FY2013. When Pell Awards fell from 3,355 in 2011-12 to 1,902 in 2015-16, enrollment fell to 3,949 students, and tuition and fee income fell sharply.

Arthur N. Dunning, ASU's president from 2013 to 2018, said "The new 2012 Pell Grant eligibility restrictions resulted in five consecutive years of fewer Pell recipients and a loss of more than 1,000 FTE students at Albany State – and we're not a large institution. We had to bear a \$2.5 million reduction in tuition and fee income. The small annual increases in the Maximum Pell did nothing to prevent reductions in teaching faculty and staff layoffs for student support services at ASU."

The State of Georgia's policy choice to put 100% of its state student aid into academic merit scholarships, however, means no need-based student aid program exists to buffer federal Pell cuts aid. Despite spending nearly a billion dollars per year in HOPE Scholarships, enrollment fell 5 straight years at ASU. The modest increases in the Maximum Pell did not stave off cuts, as the state forced tuition at ASU to rise. The ASU story is instructive for Southern state policymakers wishing to use state aid to ameliorate cuts in federal need-based Pell Grants to help Black students succeed.

The reality of lower tuition and fee revenue at ASU and USM is repeated across the board at the South's public regional universities, community colleges, and nonprofit HBCUs. When federal Pell Grant funding and the number of Pell Awards fall, overall enrollments tend to fall, and this in turn negatively impacts institutional finances, because falling enrollment means falling tuition and fee revenue that is critical to access colleges (state cuts in recent decades have made publicly controlled colleges more tuition and fee dependent). Over half – 762 or 54% – of the South's 1,404 colleges and universities saw Black student enrollment declines from 2011-12 to 2021-22. Given the \$2.9 billion decline in Pell funding and the fact that a majority of students at most Southern community colleges, regional universities, and HBCUs are on Pell Grants, this is troubling.

Conclusions

There are many reasons for the nearly half million decline in Black student enrollment at U.S. colleges and universities between 2011-12 and 2021-22. Reasons include, but are not limited to, declining state appropriations for public higher education operating budgets, increasing college tuition, limited state investments in state-funded need-based student aid, as well as a sustained period of low unemployment since 2016, excepting the brief COVID-19 unemployment spike. This brief does not suggest a causal relationship between declining federal Pell appropriations and declining Black student enrollment—further research is clearly needed. We note:

1. Students, including Black students, used the Pell Grant award when provided.

Between FY2008-9 and FY2011-12, Pell funding expanded faster than annual increases in tuition and fees. Access institutions across the South – its community colleges, regional universities, public and private nonprofit nonselective HBCUs -- saw record enrollments. The increased federal funding together with the American Recovery and Reinvestment Act's (ARRA) "maintenance of effort" provisions that forced states to maintain funding for fiscal years 2008-9, 2009-10, and 2010-11 at 2005-6 levels eliminated the need for states to raise tuition at 2 to 5 times the inflation rate to backfill falling state revenues – and resulted in all-time record enrollments at access colleges.²⁶

2. Inconsistent federal discretionary Pell funding has ripple effects on students, institutions, and states.

The Pell Grant program was used by Congress as an anti-recession/high unemployment strategy during the Great Recession. But the change in Congress coincided with the end of federal ARRA funds that had backfilled state

budgets in FY2009, FY2010, and FY2011, particularly in the Medicaid program that over the past thirty years has been the top budget driver in state governments.²⁷

The end of ARRA funds and sluggish revenues forced states to make massive appropriations cuts to mid-1990s levels to their public college and university operating budgets.²⁸ In FY2011-12, state economies had not fully recovered – the national unemployment rate was above 8%.

Access institutions suffered a “double-whammy” of Pell Grant cuts resulting in less tuition revenue at the precise time states were cutting appropriations, as scholars have noted.²⁹

Southern policymakers’ efforts to address the skill labor shortage were frustrated. Addressing the growing high-skilled worker shortage by aligning training and higher education systems was not helped by a federal drawdown of 2 million Pell Grants, resulting in nearly a million fewer public college students from 2011-12 to 2016-17.

The federal cuts were too large for states to make up the difference, as state need-based student aid increases did not offset the federal Pell cuts. The 17 Southern states increased from state need-based aid from \$1.8 to \$2.9 billion from FY2012 to FY2019, but this \$1.1 billion increase was far short of the \$2.9 billion reduction in federal Pell funding.

State need-based student aid funding becomes unstable when federal funding is unstable. The federal government has a historic responsibility to help states maintain funding for need-based student aid. More research is needed on which state student aid practices work best, whether need-based or merit-based.

3. The purchasing power of the Pell Grant, adjusted for inflation, has seriously eroded.

The period between 2012 and 2020, prior to the COVID-19 pandemic, was one of historically low inflation. But even in those years, college tuition and fee increases were more than double the increase in the Maximum Pell Grant. The gap grew between the Average Pell Grant and the average costs of tuition, fees, books, and supplies. Had Congress funded the average Pell Grant in 2021-22 at 2011-12 levels, it would have raised the Average Pell Grant of \$1,519 to \$5,774 by 2021-2 — approximately the average cost of tuition and fees at U.S. community colleges. This would cost taxpayers an additional \$9.2 billion.

4. Enrollment losses have been greater in the South than in other regions of the country, likely in part because the region’s colleges enroll higher levels of Pell recipients, especially so in its community colleges.

Students’ reliance on community colleges and the widening college-access gap means in the region are vulnerable when funding is withdrawn. If policymakers want to improve students’ college-success and graduation rates, students must enroll in college first.

5. Southerners more often rely on rural-based community colleges, regional universities including public HBCUs, and private nonprofit HBCUs for access to college than students elsewhere.

Geographic differences – especially among rural students with limited access to subsidized mass transit — should be recognized as a key additional expense/challenge for some. The doubling of Pell Grants to \$34 billion between 2006-07 and 2011-12 provided no financial buffer for many students and the access colleges that serve them. Federal aid was cut severely between 2011-12 and 2021-22, losing \$7.7 billion in constant dollars or about \$15 billion adjusted for inflation. State strategies (high tuition/high aid, merit-based aid) do not buffer the federal cuts

and work against students' access to college. As the access gap widened (Average Pell minus tuition and fees, plus books and supplies), community college enrollments fell sharply.

6. Consistent federal funding for Pell can enable state policies to align with local private and public funding streams through policy partnerships:

- Inconsistent Pell funding makes it hard for economically needy students and families to plan how they will pay for college.
- Inconsistent Pell funding makes it difficult for access colleges to plan for the financial aid needed by many students. Many of these colleges lack large endowments, and Congress' changes to Pell eligibility in June 2012 (effective that August) gave colleges no time to calibrate their need-based scholarships with the new federal policy.
- Inconsistent Pell funding makes it harder for states to calibrate their need-based aid programs. When Congress makes sudden major changes in Pell eligibility, many states cannot calibrate their limited funds with the new federal policy. This especially impacts statewide College Promise Programs, for which Pell is the backbone.
- Inconsistent Pell funding makes it more difficult for state and local leaders to remove barriers to help more students transfer to other colleges as necessary. It also can disconnect state and federal education funding streams from coordinated adult literacy, pre-K-education, child care, housing, and food delivery systems.

Recommendations for Federal Policymakers

- 1 Congress should make funding for Pell 100% mandatory.** College access and success is too important for today's budget process of volatile omnibus appropriations and reconciliation bills. This recommendation simplifies the funding process and allows Congress to immediately address and meet the needs of those seeking to access college each year.
- 2 The federal government should follow its commitment to fund the Pell Grant program at least to the adjusted-for-inflation level from 2011-12.** More students applied and were eligible for Pell Grants in 2011-12 today than the number of Pell recipients a decade later. Pell funding dropped by \$14.7 billion from 2011-12 to 2021-22 (adjusted for inflation). Six million students used Pell Grants in 2021-22, but the U.S. Department of Education received 9.2 million eligible applications (out of 17.5 million total applications). For perspective, 9.4 million students were Pell recipients out of 13.4 million eligible applications (and 21.9 million total applications) in 2011-12.
- 3 Congress should require federal data reporting on how many students receive the Maximum Pell Grant each year.**
- 4 In order for the Pell Grant to maintain its annual dollar value, the federal government should incentivize states directly through matching grants to increase, or at least maintain, state appropriation funding levels based on the previous three-year state appropriation funding average.**
- 5 Further research is needed to investigate what relationship, if any, exists between Pell funding and enrollments by institutional and geographic type.** The federal government should invest in such research now, prior to the next recession, to provide policy guidance to federal, state, and institutional leaders.

Recommendations for State Policymakers

- 1 Collaborate with their congressional delegations to support stable federal Pell funding, with emphasis on Southern members of the U.S. Senate Appropriations Committee.**
- 2 Expand their need-based state student aid programs and include adjustments for inflation to cover any remaining costs, after Pell, to attend a state's flagship university.**
- 3 Tie program eligibility tied to the Average Pell and not the Maximum Pell, since fewer than 3 in 10 Pell awardees receive the Maximum Pell Grant.** To this end, we recommend aligning state community college tuition policy with the Average Pell Grant over three state budget cycles. This state action will maintain open-door community colleges providing access to the 21st century workforce American businesses need.

Closing Thoughts

This report used two different U.S. Department of Education data sets (End of Year Pell Reports and NCES' Integrated Postsecondary Education Data System) to measure the impact of \$10 billion in federal cuts in Pell Grants on Black student enrollment for each of the 17 Southern states as well as the nation. We used the Mission-Driven Classification to geographically assess the impact of the Pell cuts on rural Black students; unlike other regions of the country, the South has a large concentration of Black residents in rural areas.

More research is needed deploying the Mission-Driven Classification to assess the impact of the Pell cuts in rural areas of other parts of the United States, all of which lack easy access to publicly subsidized mass transit. The EPC's long history with these data issues strongly suggests there are larger numbers of rural non-participating White Americans than there may be non-participating Black Americans. Further research needs to include other racial and ethnic groups, age groups, and gender; it also needs to include fields of study, especially in STEM areas.

The late Senator Paul Simon, a champion of the Pell Grant program during his years in Congress (1975-1997), often said "Can anyone seriously question that America will have a better economic and civic future with a lesser educated population?" While this report did not conclude a causal relationship between Pell funding and Black student enrollment loss, leaders of both political parties have long noted that the Pell program's funding structure is among the most complex of any federal program. But the sheer complexity of the Pell Grant program is no excuse for inaction. The time to address the half-million slippage in Black students attending college is now.

Notes and Data Sources

The University of Alabama strives to remain neutral on public policy issues, and the opinions expressed here do not reflect the views of the University or its leadership, and do not constitute a statement on behalf of the University. Most data in this brief are from the U.S. Department of Education's Integrated Postsecondary Education Data System (IPEDS) and are analyzed using UA-EPC's Mission Driven Classification to classify the 4,022 identified institutions, of which 1,468 are Public, 1,696 are Not-for-Profit, and 858 are For-Profit. Within the 17 Southern Education Foundation states (AL, AR, DE, FL, GA, KY, LA, MD, MO, MS, NC, OK, SC, TN, TX, VA, and WV), there are 1,838 institutions, of which 582 are Public, 556 are Not-for-Profit, and 533 are For-Profit.

From IPEDS we obtained enrollment by race, Pell dollars and recipients, tuition and fee revenue. We also analyzed each of the USED's Pell End-of-Year Reports starting in 1975-76, which detail applicants, awardees, and dollars distributed by type of postsecondary institution, family income, and state/region, as well as numbers of students receiving Maximum Pell, which is not in IPEDS.³⁰

Endnotes

¹President Obama predicted 800,000 new Pell recipients in 8 years when he signed the Health Care and Education Affordability Reconciliation Act in March 2010. The EPC's April 2011 study on the impact of the new Pell funding, presented at the U.S. Department of Education, found just under half that number enrolled at just 205 community colleges in one year. The number of Pell recipients would grow from 6 to 9 million from 2009 to 2012.

²Katsinas, S.G., Keeney, N.E., Bray, N.J., and Kelly, P.J. Declining Pell Support at Community Colleges Since the Great Recession, *Journal of Education Finance*, University of Illinois Press, Volume 48, Number 3, Winter 2023, pp. 289-305.

³Koh, J.P., Katsinas, S. G., Bray, N. J., & Hardy, D. E. (2019). "How the 'Double-Whammy' of State Appropriations and Federal Pell Grant Cuts Harm Rural Community College Students and Institutions." *New Directions for Community Colleges*.

⁴Katsinas, S.G., with Davis, J.E., Friedel, J.N., Koh, J.P., and Grant, P.D. (2013, February). *The Impact of the New Pell Grant Restrictions on Community Colleges: A Three State Study of Alabama, Arkansas, and Mississippi*. Tuscaloosa, AL: Education Policy Center.

http://edpolicy.ua.edu/wpcontent/uploads/2017/09/1301_epc_impact-of-pell-restrictions-three-state-study.pdf

⁵Katsinas, S.G., Keeney, N.E., Bray, N.J., and Kelly, P.J. Declining Pell Support at Community Colleges Since the Great Recession, *Journal of Education Finance*, University of Illinois Press, Volume 48, Number 3, Winter 2023, pp. 289-305.

⁶Daugherty, A.L., Katsinas, S.G., and Keeney, N.E., Access and Importance of Pell Awards at Public Regional Historically Black Colleges and Universities: What Do the Data Say? *Journal of Education Finance*, Volume 48, Number 2, Fall 2022, pp. 113-137.

⁷IBID, Daugherty, Katsinas, and Keeney, N.E., 2022.

⁸Enzi, Mike, Chairman. (2018, September 13). *The Complex Case of Pell Grant Budgeting*. Budget Bulletin, 115th Congress, 2nd Session, No. 5. Washington, DC: U.S. Senate Committee on the Budget. <https://www.budget.senate.gov/imo/media/doc/BUDGETBULLETIN.PELLBUDGETING.pdf>

⁹EPC Analysis of U.S. Department of Education End of Year Pell Reports, 1973-4 to 2021-22 by the Education Policy Center, University of Alabama.

¹⁰Institute for College Access and Success (2023, August). "How Congress Can Strengthen the Pell Grant Program to Make College More Affordable for Millions of Americans." <https://ticas.org/wp-content/uploads/2023/08/How-Congress-Can-Strengthen-the-Pell-Grant-Program-and-Make-College-More-Affordable-for-Millions-of-Americans.pdf>

¹¹Alexander, F.K., Katsinas, S.G., Keeney, N.E., and Bray, N.J. (2023, Winter), "The Impact of Federal Funding on State Budget Priorities: Public Higher Education Operating Budgets and Medicaid," *Journal of Education Finance*, 48:3, p.234-254.

¹²Halstead, D. K., (1974). *Statewide Planning in Higher Education*. Washington, D.C. U.S. Department of Health, Education, and Welfare.

¹³Obama, Barack. "As Unemployment drops below 5%, Here are five facts about America's Jobs Market." *The White House*, February 5, 2016. <https://obamawhitehouse.archives.gov/blog/2016/02/05/unemployment-drops-below-5-here-are-five-facts-about-americas-jobs-market>

¹⁴IBID, Katsinas, Bray, and Kanter, 2022.

¹⁵From the vantage point of six months out, the 2012 presidential election had been expected to be close, and neither party wanted blame for cutting a popular program in the FY2013 omnibus appropriations bill to fund the government. But most students qualifying for Pell Grants do not receive the maximum, and the eligibility rules matter. Experts who closely follow Pell are concerned that the FY2025 budget, which is being considered in a highly contested presidential election year, might also contain complicated Pell eligibility restrictions in a massive government-wide omnibus appropriations bill.

¹⁶The Institute for College Access and Success (2024, April). "When the Pell Grant Program Faces a Funding Gap, Students Pay the Price. Here's How Congress Can Fix It." <https://ticas.org/wp-content/uploads/2024/03/Pell-Funding-Explainer-2-pager-3.25.24-2.pdf>

¹⁷Adair, J.L., Katsinas, S.G., Bray, N.J., and Grant, P.D. (2020). "Federal Spending for Higher Education: The Impact of Budget Reconciliation." *Journal of Education Finance*.

¹⁸Katsinas, S.G., Bray, N.J., Keeney, N.E., Whann, H.D., and Malley, M.S., "Keeping the Promise: Stabilizing the Pell Grant Program." *College Promise*: Washington, DC.

¹⁹Consolidated Continuing Appropriations Act, 2013. P.L. 113-6-Mar.26, 2013. <https://www.congress.gov/113/plaws/publ6/PLAW-113publ6.pdf>

²⁰IBID, 2012 Alabama Pell Study. The three eligibility standards were (1) The Lifetime Pell standard—the total number of semesters was reduced from 18 to 12. (2) The "Ability to Benefit" eligibility provisions were eliminated that allowed community college financial aid administrators to enroll those without high school diplomas or GEDs in short-term programs like welding leading to immediate employment at good wages. (3) The Expected Family Contribution was raised, essentially requiring students to be from families below the poverty line in order to qualify for a maximum Pell Grant.

²¹Katsinas, S.G., Friedel, J.N., Davis, J.E., & Miller, M.T. (2013, Feb. 13). *The impact of the new Pell Grant restrictions on community colleges: A three-state study of Alabama, Arkansas, and Mississippi*. Presentation, Rural Council, White House Domestic Policy Issues Staff. Washington, D.C.

²²IBID, TICAS (2024, April).

²³Center on Rural Innovation. (2023, January 12). *Who Lives in Rural America? The Geography of Rural Race and Ethnicity*. <https://ruralinnovation.us/wp-content/uploads/2023/11/Rural-Aperture-Project-Story-2.2.pdf>

²⁴Altman, M. (2024). *Miles to go: The state of education for Black students in America*. Southern Education Foundation. <https://southerneducation.org/what-we-do/milestogo2024/>

²⁵For more about the Mission Driven Classification, see <https://edpolicy.ua.edu/mission-driven-classification.html>

²⁶Clark, Charles A. (2017). "Can federal intervention impact college affordability? An assessment of federal maintenance of effort legislation at American public regional universities." Ph.D. Dissertation. Tuscaloosa, Alabama: The University of Alabama. <http://ir.ua.edu/handle/123456789/3087>. Clark's study clearly proved the effectiveness of federal maintenance of effort legislation to limit tuition increases at the nation's public regional universities.

²⁷IBID, Alexander, Katsinas, Keeney, and Bray, 2023.

²⁸Alexander, F. K., Harnish T., Hurley D., and Moran R. "Maintenance of Effort: An Evolving Federal-State Policy Approach to Ensuring College Affordability." *Journal of Education Finance*, Volume 36, Number 1, Summer 2010.

²⁹IBID, Koh, Katsinas, Bray, and Hardy, 2019. DOI: 10.1002/cc.20365

³⁰These reports are held in two different places; those from 1974-75 up until 2017-18 are available on the U.S. Department of Education's website and those from 2018-19 to 2020-21 are available on their Federal Student Aid website.