



## **Testimony by the Student Voice Team on February 2, 2016, for the House Budget Review Subcommittee on Postsecondary Education**

**Jamie Smith:** Good morning, members of the Postsecondary Education Budget Review Subcommittee. My name is Jamie Smith, and I'm a high school senior. With me at the table is Andrew Brennen, a sophomore in college, Susie Smith, a freshman in college, and Eliza Jane Schaeffer, also a senior in high school. Behind us are other middle, high school, and college students showing their support today.

We are members of the Prichard Committee Student Voice Team, an extension of the Prichard Committee for Academic Excellence that mobilizes citizens to improve Kentucky Schools. The Student Voice Team supports students as full partners in that work, and specifically, we aim to amplify, elevate, and integrate student voice in education policymaking.

We are missing class (and bracing ourselves for a slew of makeup work) because we think it is essential to convey just how important the College Access Program and Kentucky Tuition Grant program are to students across the state.

Two years ago, the Student Voice Team embarked on a study of postsecondary transitions. After analyzing data and speaking with hundreds of students, teachers, guidance counselors, administrators, elected leaders, and policy experts across the state, we identified three major tripwires that hinder postsecondary success among Kentucky's students. All three have to do with inherent—and often hidden—inequities in the postsecondary transition process.

One of these tripwires we dubbed the Birthright Lottery. Finance and family background, two factors that are beyond students' control, can either be great boons or great burdens for students pursuing postsecondary education. Too much of our students' success seems to depend on the luck of the draw.

This further marginalizes low-income students who must rely on financial aid in order to afford a college education and build a better life.

In December, the Student Voice Team was made aware of yet another inequity: need-based higher-education grants.

These grants, which allow low-income students to afford college, have been consistently underfunded by the state almost since their inception.

Over the past 10 years, there have been nearly one billion dollars' worth of unmet need among Kentucky's students. In the past five years, an average of over 100,000 CAP and KTG-eligible students, or two-thirds of financial aid applicants, were denied aid due to insufficient funds.

**Andrew Brennen:** While we ask you to increase funding for the College Access Program and Kentucky Tuition Grant, we do not expect the state to provide scholarships for every one of these denied students.

Instead, we ask that the state fund CAP and KTG at the level outlined in the Kentucky Revised Statutes chapter 154A.130:

After paying operating costs, lottery revenue is to be broken up in three ways:

1. three million dollars off the top must go to state literacy programs,
2. 45% of the remainder must go towards the Kentucky Education Excellence Scholarship, which is a merit-based higher-education grant, and
3. 55% of the remainder must go towards CAP and KTG, which are need-based higher-education grants.

Over the past five years, the literacy programs and KEES were nearly always fully funded. However, in the last five fiscal years, CAP and KTG were underfunded by a combined average of \$28 million annually.

That's 23.5% less than they were supposed to receive. This shortfall prevents between 15,000 and 20,000 qualifying students from receiving financial aid. The money is instead dispersed among other state programs, likely to cushion the budget from the effects of the recent recession.

Recently, the problem has gotten worse.

In FY 2012, CAP and KTG were underfunded by almost twenty four million dollars. But in FY 2016, these two need-based aid grants were underfunded by nearly \$34 million—a \$10 million increase.

All the while, residential undergraduate tuition at four-year institutions has increased by 44% and tuition in the Kentucky Career and Technical College System has increased by 31%.

How can we expect promising Kentucky students and families to achieve their vast potential, and attend institutions of higher education without funding the necessary financial aid?

**Susie Smith:** My mother, a guidance counselor at Paul Laurence Dunbar High School in Lexington, has worked with such students over many years. There have been countless times when she and her office have worked tirelessly to help students secure the financial aid that they need to continue their education.

James is one such student. He is from a single parent home and does not have the means to pay for a college education. James plays soccer and football, tries hard in school, and works to help his mother. Without the added help of financial aid, James will never be able to afford the education he wants and deserves.

As a guidance counselor, my mom often does not know the outcome of her students' quests for financial aid. Her time is stretched thin between the five hundred students on her caseload, and if students graduate with plans for college but are not lucky enough to receive financial aid, they often fall between the cracks.

**Jamie Smith:** Zach is a college student pursuing a major in chemistry with the goal of eventually pursuing a doctorate of pharmacy. Even if he doesn't get accepted into a college of pharmacy, having a degree is a major part of his future. Zach comes from a small town where having a college degree can make the difference between living at the poverty level or in the middle class.

He's only able to afford college because of financial aid. The cost of textbooks alone was difficult for his family. If it weren't for the financial aid programs provided by Kentucky, like CAP and KTG, making payments for college would be impossible for Zach and numerous others.

Zach said, "I wouldn't be attending college now and would probably be working dead end jobs. I have seen many kids from my high school class drop out of college because of financial aid issues."

**Susie Smith:** Haley is a Junior at the University of Pikeville and a major in history and political science. She has lived in Pikeville her entire life. Though new opportunities are developing, the county recently lost its main supplier of income: coal. The decline in the coal business has caused many families, including Haley's, to be without their primary source of income.

She was taught the value of education as a child and was always pushed to pursue any dream she wanted. Like many others in Eastern Kentucky, getting an education is the way to make her own living. She doesn't want to rely on the "boom and bust" of the coal industry to support herself.

"Since my dad lost his job, there was no way I would have been able to continue my education," Hailey said. "We submitted a change to my FAFSA since dad was no longer working. Thankfully, I can continue my education using the state financial aid I receive."

**Eliza Jane Schaeffer:** These success stories show us what's possible when we invest in our students. Each year, funds are diverted from scholarships for low-income students, students who have largely been voiceless in this chamber. Today we hope to give voice to these students.

Without the support of CAP and KTG programs, students like Haley and Zach—and so many of our friends—wouldn't be able to afford to continue their education as they want and as Kentucky needs.

We are pleased the Governor pledged to put 100% of lottery funds towards education and called attention to the historical diversion of lottery revenue. We are interested to hear more about his new workforce development program.

But we are here today to make the case for the importance of following the statutory obligation for the funding of the CAP and KTG programs both to the students that they serve and to our Commonwealth.

A more educated workforce means increased tax revenue.

A more educated workforce means fewer people dependent on entitlement programs.

A more educated workforce means we can compete for the business of high-tech companies.

If Kentucky were to raise its overall educational attainment level just to the national average, it would generate an additional \$900 million in state revenue and cost savings.

Yet according to the United States Department of Education, students from a high socioeconomic background are four times more likely to successfully obtain a higher education degree than students from a low socioeconomic background. If we want to increase educational attainment, the lower half of the socioeconomic spectrum clearly has the most room for growth. Investing in these students specifically will do three things:

1. give Kentucky students more means to pull themselves out of poverty,
2. save Kentucky money in the long run, and
3. help grow a more educated workforce and stronger economy.

We feel that our presence here today is important because all too often, decisions that affect students are made while students themselves are in the classroom. We have watched firsthand as some of our peers successfully transitioned to college with the help of financial aid,

and we have watched firsthand as some of our peers labeled college a financially impossible dream. However, we know that supporting students to take their studies to the next level is how we continue on the great momentum and progress that Kentucky has made over the past quarter-century.

While it's true that we cannot control the outcomes of the Birthright Lottery we identified in our Tripwires Report, we can control how and whether we follow the statute on administering funds from the state lottery. The future of Kentucky students and the success of the Commonwealth should not be left solely to chance.