Statement of Joni E. Finney Vice President The National Center for Public Policy and Higher Education

Testimony before The House of Representatives Gaming Oversight Committee

Harrisburg, PA Thursday, May 21, 2009

Dear Committee Members:

Like virtually every other state, Pennsylvania faces tough choices about education priorities in the current economic crisis. But unlike many states, Pennsylvania has a governor who is unwilling to sacrifice college affordability in tough times. Gov. Rendell's proposed Tuition Relief Act deserves credit—and the legislature's support.

Now more than ever, Pennsylvania needs a more affordable and accessible higher education system. Recent estimates by the National Center for Higher Education Management Systems indicate that the state needs to increase the number of college graduates by 14,000 per year to replace retiring Baby Boomers, fill new jobs, and successfully compete with other states and nations in the race for educated workers.

But as our organization found in *Measuring Up 2008: The National Report Card on Higher Education*, Pennsylvania has made progress in enrolling young adults in college but still lags top states. Fewer working adults are enrolled in college in the state today than in the 1990s. Perhaps most troubling, the average Pennsylvania family must now pay 40 cents of every dollar they earn to cover public four-year college expenses after financial aid, up 33 percent in just the last eight years, earning Pennsylvania an "F" on affordability in the report card.

The Tuition Relief Act is a serious, thoughtful attempt to address Pennsylvania's college access and affordability challenges. First, it focuses on families feeling the greatest pinch from college costs—those earning less than \$100,000 per year—and many of the state's lowest income families will pay as little as \$1,000 per year for college expenses. Second, it focuses on undergraduate access by targeting community colleges and the State System of Higher Education. Third, it promotes shared responsibility by requiring that all eligible families pay something for college, but not more than they can afford.

What distinguishes this proposal from so many others is that it makes tough choices about preserving undergraduate access and affordability, even if they are politically difficult. It recognizes that "recession cannot once again become the rationale for reducing opportunity and increasing the financial burden on students and families," as we argue in a recent policy statement.

Some of the state-related institutions and private colleges and universities are unhappy that they are not included in the Act. But let's be honest—the students that face the greatest barriers to college opportunity are and will be enrolling in the community and state colleges. Moreover, the governor has left the door open for other institutions to participate if they agree to reasonable tuition controls and work with him to find additional revenue to fund the program.

Others, including some of the governor's supporters, are unhappy that the aid is limited to families earning less than \$100,000 per year. But the reality is this—for a growing number of Pennsylvania's low-income students and their families, the decision is not

where to go to college but whether to go to college. If we lose these students now, experience tells us that it will be very hard to get them back on the college track.

Still others don't like the idea of using gambling revenues to fund the Act, but few have offered viable alternatives. If the Act becomes a referendum on gambling rather than a debate about priorities for higher education, the real losers will be Pennsylvania's students.

In times of financial crisis, state leaders rarely—if ever—face easy choices. They do, however, have an opportunity to make wise choices that may not please everyone in the short term but will improve the state's long term prospects. The Tuition Relief Act is one of those choices, and as a Pennsylvanian, I hope that the legislature joins the governor in making it.