



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF EDUCATION

**House Education Committee
Joint Hearing with the Pennsylvania Legislative Black Caucus
May 2, 2024**

Good morning, Chair Schweyer, Chair Topper, Chair Nelson, and Members of the House Education Committee and PA Legislative Black Caucus. Thank you for the opportunity to speak about the uniquely important and irreplaceable role that Pennsylvania's Historically Black Colleges and Universities (HBCU) play in the Commonwealth. My name is Dr. Kate Shaw, and I am the Deputy Secretary and Commissioner of Higher Education in the Department of Education.

Pennsylvania is fortunate to be home to two of the most distinguished and longest-serving HBCUs in the country. Cheyney University is the oldest HBCU in the country, and Lincoln University holds the status as the first degree-granting HBCU in the country. While the two universities play distinctly different roles in our higher education ecosystem, they are united in their mission and commitment to center and honor the Black experience, and to provide a uniquely important combination of scholarship, leadership opportunities, and an unwavering commitment to making the world a better place. Both universities are nationally ranked for their long track record of ensuring that their graduates achieve social mobility, and their small class sizes provide the kind of personalized student/faculty relationships that can and do transform lives.

As you know, the Governor has proposed a bold new plan for revitalizing higher education in Pennsylvania. This plan—Pennsylvania's Blueprint for Higher Education—is designed to address the longstanding challenges facing our colleges and universities. Pennsylvania currently ranks 49th of 50 states in its investment in higher education per capita; our students carry the third highest debt load in the country at close to \$40,000 on average; and a lack of coordination has created postsecondary education deserts, with a lack of state-supported community colleges and universities in the majority of our counties. The result is that college is more expensive and harder to access for Pennsylvanians – and enrollment rates at Pennsylvania institutions of higher education have dropped accordingly. PASSHE enrollment has dropped 30% over the past decade, and community college enrollment has dropped 37%. Across the board, Pennsylvania has seen a 7% drop in the percentage of high school graduates attending college from 2017 through 2022. These facts, coupled with declining populations and a growing workforce credential gap, which currently stands at 61,000 and is anticipated to grow to 218,000 in 8 years if the status quo remains, point to the need to take action.

The Blueprint will build on Cheyney and Lincoln's already considerable strengths, reversing decades of disinvestment in higher education by the Commonwealth, and investing in them with the resources and capacity they need to propel Pennsylvania's economic and social wellbeing for decades to come. To meet these goals, the Blueprint is comprised of three, interrelated elements:



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF EDUCATION

1. **Create a new public higher education system** that unites PASSHE universities and community colleges. This will strengthen stackable credential pathways, expand access, ease transfer processes, shorten time to degree, and increase effectiveness and coordination.
2. **Make College More Affordable.** No student from a family making at or below the average median income will pay more than \$1,000 per semester for tuition and fees if they attend a university in the new system. And if a qualifying student chooses to attend a state-related or independent university, they will receive an additional \$1,000 per year in PHEAA grants. These proposals will directly address cost barriers for students and their families that drive down enrollment, increase enrollment at all higher education institutions in Pennsylvania, and reduce student debt, which in turn will expand access to our world-class colleges and universities.
3. **Reinvest in publicly-funded colleges and universities** via a predictable and transparent funding formula that aligns state dollars with the needs of the Commonwealth. By focusing on quality outcomes, building in accountability measures, and implementing a robust data tracking system, the Commonwealth and the publicly funded universities become better stewards of taxpayer money. Consequently, bolstering the capacity of colleges and universities to retain and graduate students will provide an unprecedented level of transparency and accountability in our higher education sector.

The Blueprint's return on investment will be high both for those who obtain new college credentials and for the Commonwealth writ large. The Blueprint will:

- ✓ Provide greater access and affordability:
 - 68,000 students—both adults and recent high school graduates will be eligible to receive additional financial aid.
 - The average debt burden will be reduced by \$2,500 for community college graduates, \$4,500 for PASSHE graduates, and over \$3,000 for state-related and independent college or university students on average.
 - Enrollment in Pennsylvania higher education institutions will increase by 5% on average—both adults and recent high school graduates.
- ✓ Increase attainment & address workforce credential gap and create clear, affordable credential pathways aligned to regional workforce needs:
 - 48,000 additional credentials will be earned by Pennsylvania workers by 2032.
 - Sustained year over year investment for the next four years would yield 160,000+ credentials.
 - Expand access in Pennsylvania's postsecondary deserts.



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF EDUCATION

- ✓ Generate \$19.8 billion in economic impact over a decade.

While the Blueprint is designed to strengthen the postsecondary sector writ large, I want to point out some of the many ways that it will be particularly beneficial to Cheyney and Lincoln universities:

- First, the financial aid element of the Blueprint will provide additional resources to many students attending Cheyney and Lincoln. We are targeting those new dollars to students who come from families making at or below the median adjusted gross income in Pennsylvania—which in 2024 is slightly over \$70,000 per year. We know that 77% of Cheyney students and 69% of Lincoln students qualify for Pell grants and therefore will also qualify for the increased financial aid proposed in the Blueprint. These dollars will reduce student debt on average by \$4,400 for Cheyney students that receive the additional aid and by \$1,280 for Lincoln students who qualify. That's real money back in the pockets of our students.
- Second, the funding formula through which state appropriations will flow will include varying degrees of weights to provide institutions with more dollars up front for students that need additional resources to graduate. While the specifics of the formula have not yet been proposed, and will require additional input and conversations with many stakeholders and the legislature, it is likely to include these weights for a variety of categories that aim to benefit a substantial proportion of Cheyney and Lincoln students—for example the number of enrolled Pell grant recipients, underrepresented minority students, adult students, and students from low-performing school districts. These up-front dollars are designed to ensure that our colleges and universities are focused on what they do best, which is educating and supporting students from day one to graduation day. And when they deliver on their commitment to students, the formula will provide additional financial rewards.
- Third, the new state system will strengthen the ability for students to transfer to other institutions, thereby driving more community college students to Cheyney University.
- Finally, these proposals aim to recognize the unique and distinct mission of each university which is particularly important as we have a responsibility to support the two oldest HBCUs in the United States.

The Shapiro Administration is excited about this bold plan to turn around decades of disinvestment and rightfully center our colleges and universities as the engine of economic and workforce development that the Commonwealth needs to ensure a prosperous future. Cheyney and Lincoln universities and their students will benefit from the Blueprint—further strengthening these uniquely important institutions and expanding their capacity to serve the Commonwealth.

Thank you for the opportunity to testify today. I look forward to your comments and questions.