

# #DOUBLEPELL

## Why Double Pell?

### Background and Fast Facts About Doubling the Maximum Pell Grant

- The Pell Grant program is the nation's foundational investment in higher education. Pell Grants help nearly 7 million low-and moderate-income students attend and complete college annually. That is 40 percent of undergraduates at U.S. colleges and universities.
- Students from all 50 states and all corners of the country—from rural areas to cities to everywhere in between—rely on the Pell Grant program to pursue their college aspirations and achieve a brighter future. Nearly 70 percent of Pell Grant dollars go to students with a family income below \$30,000 and nearly 90 percent to students with a family income below \$50,000.
- Pell Grants are especially critical for students of color, with nearly 60 percent of Black students, and roughly half of American Indian or Alaska Native students and Hispanic students receiving a Pell Grant each year.
- The share of college costs covered by the Pell Grant is at an all-time low. Nearly 50 years ago, the maximum grant covered more than three-quarters of the cost of attending a four-year public college. After decades of state budget cuts that drove up tuition, combined with flat household incomes over the same period, Pell Grants now cover less than one-third of those costs.
- If the Pell Grant is doubled, not only will current students receive increased grants, but the pool of eligible students will grow, providing more working-class students access to aid.
- Unsurprisingly, Pell Grant recipients continue to bear disproportionate student debt burdens. Pell Grant recipients today are nearly twice as likely as other students to have student loans and those who do borrow graduate with over \$4,500 more debt than their higher-income peers.
- Students from low-and moderate-income families are in critical need of additional grant aid to pay for college. Doubling the maximum Pell Grant—and permanently indexing the grant to inflation to ensure its value doesn't diminish again over time—will honor the history and value of these grants as the keystone federal investment in college affordability and help more students attend college, earn a degree, get a good-paying job, and ensure them a brighter future.
- Doubling the maximum Pell Grant is a good investment that will boost economic mobility. In 2018, the median earnings of bachelor's degree recipients with no advanced degree working full time were \$24,900 higher than those of high school graduates. Bachelor's degree recipients paid an estimated \$7,100 more in taxes and took home \$17,800 more in after-tax income than high school graduates.