



Creating Debt-Free Pathways in the Bay State

Tanya I. Garcia, Ph.D.

Massachusetts Board of Higher Education

Finance & Administrative Policy Advisory Council Meeting

February 13, 2024

About TICAS

The Institute for College Access & Success (TICAS) is a trusted source of research, design, and advocacy for student-centered public policies that promote affordability, accountability, and equity in higher education.



Learn more at ticas.org

Overview

- The Bay State's current efforts to make college more affordable
- College affordability in the national context
- How the Bay State can pivot to create debt-free pathways into college for the neediest students
- Recommendations
- Q&A

Current College Affordability Efforts



Massachusetts's rich array of need-based aid and recent changes already go far in addressing the needs of today's students...

Promises MA Already Makes to Students

Which Students Benefit?		Programs			
		MASSGrant	MASSGrant Plus	MASSGrant Plus Expansion	MassReconnect
	<i>justice-impacted</i>				
	<i>25+ years old</i>				
	<i>some college</i>				
	<i>middle-income family</i>			see Note 2	
	<i>Pell-eligible</i>				
	<i>part-time</i>		see Note 1		
	<i>full-time</i>				
	<i>4-year</i>				
	<i>2-year</i>				
	<i>certificate seekers</i>				
	<i>associate's seekers</i>				
	<i>bachelor's seekers</i>				
	<i>undocumented</i>				

To what extent do **existing investments** serve various student groups?

Do **certain student groups** experience more **unmet needs** than others?

Notes

¹ Pell-eligible students enrolled part-time at a public four-year college or university are now eligible

² Student family income must be between \$72K and \$100K, with an EFC of \$6,657-15,000, and attend a public 2-year or 4-year college full-time

Promises MA Already Makes to Students

What costs are covered?	transportation				
	childcare				
	books/supplies			see Note 3	
	room & board				
	tuition/fees				
		MASSGrant	MASSGrant Plus	MASSGrant Plus Expansion	MassReconnect

Notes

³ Pell Grant-eligible students are eligible for up to a \$1,200 allowance based on number of credits enrolled

To what extent do **existing investments** cover the **full cost of attendance**?

How much aid would MA residents with the lowest incomes have **left over** to cover **books, childcare, & transportation**?


Institutional Supports Are Also Crucial

Community College SUCCESS Fund



The CHERISH Act – An Act Committing to Higher Education the Resources to Insure a Strong and Healthy Public Higher Education System

College Affordability in the National Context



While every state has focused on making college more affordable, **no state has fully created debt-free pathways to college** for state residents with the highest need



Several states are **“on their way”** to creating debt-free pathways...but aren't there yet



As close as states may get to creating debt-free pathways, **economic downturns, pandemics, and budget cycles will threaten sustainability** – without federal investments in students and colleges

New Jersey & Washington State

Here are some observations about New Jersey's and Washington's programs:

- Making changes to state financial aid programs doesn't happen overnight.
- Both Washington and New Jersey have been making progress over several years.
- I'm not aware of another state that has made apprentices eligible for need-based aid than Washington. The WA College Grant is now an entitlement just like Pell.
- In New Jersey, the state need-based aid grant and Pell grant are bundled with the newer college promise programs to bring the costs of attendance as close to zero as possible for low-income residents.

The next two slides offer additional details.

Washington State

In the past few years, the Washington Student Achievement Council implemented several legislative changes to its need-based aid program, The Washington College Grant:

- Made it an entitlement, making it possible for all eligible students to receive aid
- Apprentices became eligible for the grant in state registered apprenticeship programs
- Added a \$500 “bridge grant” amount to cover books and travel
- Reduced administrative burdens for students receiving public assistance, making them automatically eligible

For more information, visit <https://wsac.wa.gov/wcg-awards>

New Jersey

- The Tuition Aid Grant (TAG) is New Jersey's need-based grant
 - Recent changes enabled recipients to enroll year-long, including summer
- TAG recipients, who are also eligible for Pell, receive close to \$20K to cover tuition expenses
- TAG recipients are also eligible for the Community College Opportunity Grant (2-year publics) and/or the Garden State Guarantee (4-year publics), which help support other costs of attendance
 - The CCOG and GSG—New Jersey's College Promise Programs—are not need-based aid
 - However, TAG recipients get more aid based on their income

For more information, visit <https://www.hesaa.org/Pages/TAG.aspx> and <https://www.hesaa.org/Pages/NJCollegePromise.aspx>

Creating Debt-Free Pathways into College



To cover the average cost of attending a **four-year public college**, students from families making \$30,000 per year would need to **spend nearly all their total income (93%)** to pay for their total college costs



To cover the cost of a **two-year public college**, students from families making \$30,000 would need to **spend nearly two-thirds of their total income (64%)**, again to pay total college costs



Even with recent increases from federal policymakers, today the **Pell Grant maximum** award covers the **lowest share of college costs** in its 50-plus-year history.



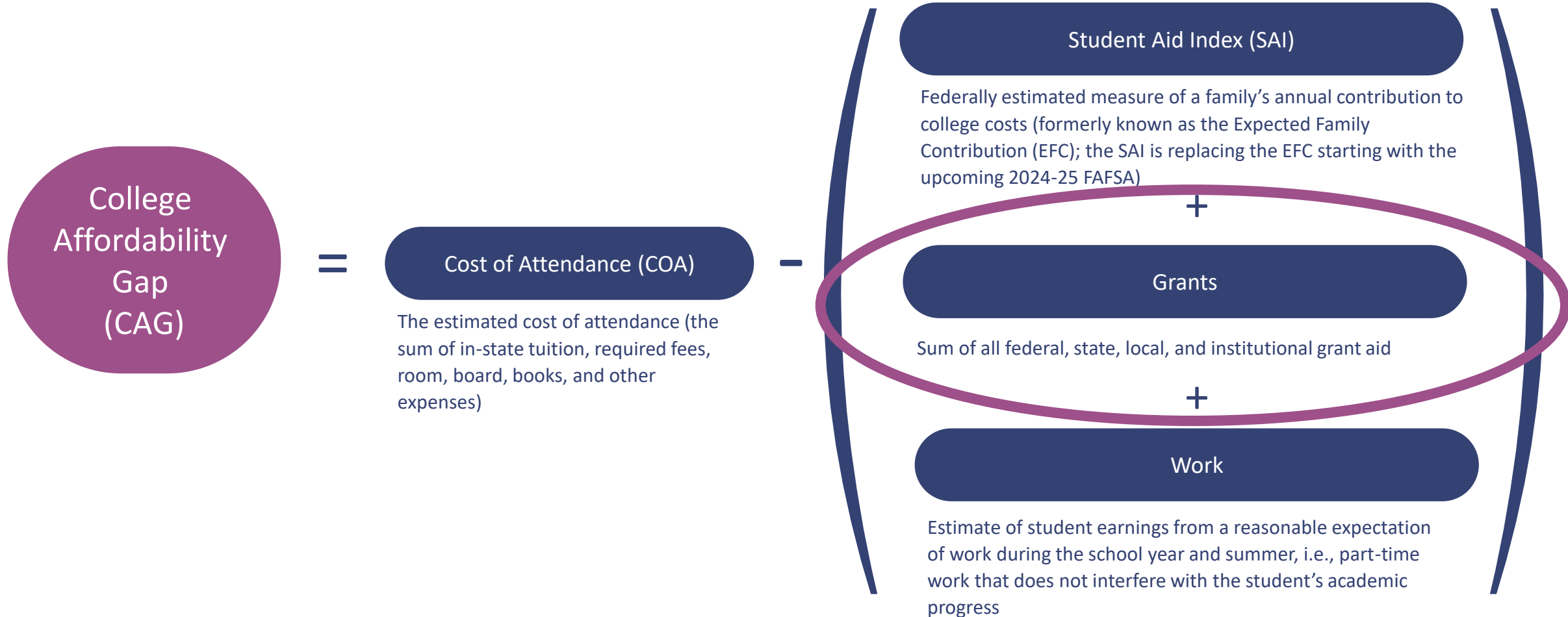
Why Debt-Free College Now?

Three key reasons:

- To prepare for the significant, ongoing **demographic changes**
- To reverse **enrollment declines**
- To address **income inequality** and what it means for college and the workforce

Read more in a TICAS blog post, [Higher Education: Our Nation's "Preeminent Engine of Upward Mobility"](#)

The College Affordability Gap



MA Has Room to Meet Its Goals

POSTSECONDARY ENROLLMENT	81.0%	60.8%	58.2%	46.1%	73.4%
POSTSECONDARY ATTAINMENT	72.5%	45.6%	50.5%	30.8%	62.2%

ASIAN	BLACK/ AFRICAN AMERICAN	INDIGENOUS	LATINX	WHITE
--------------	--	-------------------	---------------	--------------

Note: Massachusetts postsecondary attainment rates for 26-64-year-olds come from Lumina Foundation, Stronger Nation, <https://www.luminafoundation.org/stronger-nation/report#/progress/state/MA>. Massachusetts postsecondary enrollment rates of recent high school graduates who enroll within 16 months come from the Massachusetts Department of Elementary and Secondary Education, in partnership with the National Student Clearinghouse, https://www.doe.mass.edu/infoservices/reports/enroll_ihe/report1.xlsx.



Recommendations

- **First strengthen, then create.** Examine the extent to which existing need-based grant programs lead to debt-free pathways, prioritize Massachusetts residents with the most need, and create new programs that fully close any gaps
- **Leverage your powerful data.** Break down silos across sectors to see who's missing and determine how institutions and the state can work to reduce or eliminate administrative burdens on students and their families
- **Maximize resources.** Consider the braiding of state and federal dollars to maximize resources available to support both students and postsecondary institutions

Q&A

Thank You!

for more information

Tanya I. Garcia, Ph.D.

Vice President

tgarcia@ticas.org

[bio](#)