AICU | MASS
ASSOCIATION OF INDEPENDENT COLLEGES & UNIVERSITIES IN MASSACHUSETTS

March 18, 2024

The Honorable Michael Rodrigues
Chair, Senate Committee on Ways and Means
State House, Room 212
Boston, MA 02133

The Honorable Aaron Michlewitz
Chair, House Committee on Ways and Means
State House, Room 243
Boston, MA 02133

Dear Chair Rodrigues and Chair Michlewitz,

Thank you for the leadership and collaboration that has long been the hallmark of your tenures leading the Senate and House Committees on Ways and Means. As the Commonwealth enters a period of revenue uncertainty, it is reassuring that your experience working together and your deliberative approach to managing the state's finances will guide Massachusetts into the FY25 fiscal year.

As you work to craft the FY25 budget, I urge you and your colleagues to ensure expanded financial aid opportunities are available for all low-income college students in Massachusetts. Despite significant increases to the state scholarship line-item (7070-0065) in recent budget cycles, available funding for low-income Massachusetts students attending private, nonprofit colleges and universities in Massachusetts has remained relatively stagnant as the Department of Higher Education and the Office of Student Financial Assistance has been focused on creating and expanding the MassGrant Plus scholarship, which is exclusively available to students attending public higher education institutions.

To be clear, AICU Mass supports investments in our public colleges and universities and their students – and continues to advocate for programs such as expanded access to community colleges. It is equally important, however, for the state to support all low-income students who want to remain in Massachusetts for college. At a time when our business community is rightly concerned about the outward migration of young adults, encouraging our high school graduates to remain in Massachusetts to attend the college that is the best fit for them is a critical component in their joining our workforce after college.

Following the expansion of MassGrant Plus, low-income students at private, nonprofit colleges and universities across the Commonwealth were left asking why the state does not support their educational pursuits. These students chose to attend college in Massachusetts because it was the best fit for their unique needs, whether those needs be financial, academic, social/emotional or geographical. Study after study has shown that students are more likely to persist and succeed in their degree when they are attending the institution that best fits their unique needs, and the graduation rates of low-income students at private, nonprofit colleges and universities in Massachusetts more than support that notion.

Outlined below are three ways that the state could make investments in financial aid that would have an outsized impact on all deserving students and families. Each proposal would send a powerful message to students, and the private, nonprofit institutions that serve those students: that the state will be their partner on their academic journey regardless of whether the pathway they choose leads to a public or private campus.

MassGrant: Despite the significant increases in the bottom line for scholarship funding (Line Item 7070-0065) that the Legislature has orchestrated over the past six years (increasing from $95.8 million in FY18 to $175 million in FY24), students who attend a private, non-profit college or university have essentially seen levelfunding (~$14 – 15 million) in MassGrant dollars, the state's signature, need-based financial aid program. MassGrant, modeled on the hugely successful federal Pell Grant, is awarded to eligible low-income Massachusetts students to bring with them to the public or private college or university of their choice. In 1974, Massachusetts voters overwhelmingly approved a ballot question amending the Massachusetts Constitution to allow grants in aid to students and families attending a private higher education institution. Current funding levels should reflect that support and the mission of the MassGrant program.

Governor Healey's MassGrant Plus expansion using revenue from the Fair Share creates an opportunity to ensure an equitable distribution of MassGrant dollars in line-item 7070-0065. This could be achieved by amending the line-item to include the following language that ensures the bulk of the traditional scholarship funding line-item is available to all Massachusetts residents who chose to remain here for college:

Provided further, that not less than $75 million shall be made available for the MassGrant program.

Gilbert Grant: For almost forty years, the Gilbert Matching Grant has supported low-income Massachusetts students attending private, nonprofit colleges and universities in the Commonwealth, while leveraging the resources of those same institutions to provide matching grants to those deserving students. The results? In FY24, the state's investment of $22 million in the Gilbert Grant was matched with over $700 million in institutional aid from private colleges to Massachusetts undergraduate students. That amazing return on investment accrues to the benefit of Massachusetts students and families.

However, over the last six years we have seen a decline in the purchasing power of the Gilbert Grant. In FY18, Gilbert Grants received 18.2 percent of the funds appropriated to Line Item 7070-0065, while in FY24, that number has dropped to 12.2 percent. So again, while overall need-based scholarship spending has increased by nearly $80 million, students at private, nonprofit colleges and universities see level-funding.

We urge you to restore the spirit and power of the Gilbert Grant in FY25 by setting aside 20 percent of financial aid funds for Gilbert Grants. This would make an immediate and meaningful investment of $35 million in low- and moderate-income Massachusetts students who see their lives best served by a private college or university. This increase could make the difference in whether a Massachusetts student stays here to attend college or opts to go out of state.

Provided further, that not less than $35 million shall be made available for the Gilbert Matching Grant program.

New funding for community college graduates transferring to a four-year degree:

Finally, we urge the Legislature to invest in a program that has proved successful in creating seamless pathways for community college students who earn their associate degree to continue their education at a four-year college or university. The Massachusetts Transfer Guarantee program is a partnership between the state's community colleges and private colleges and universities. Students earning an

associate degree with a minimum GPA of 2.5 have the opportunity to gain acceptance at 23 participating private institutions. MA Guarantee provides more students with clearly defined pathways to continuing their education.

We can work with you to develop a matching grant program to support those deserving MA Guarantee students who want to continue their education at a four-year institution. This will pay tremendous dividends to the broader Commonwealth economy as these students graduate with a four-year degree and enter the workforce prepared to meet our future challenges.

Thank you in advance for your thoughtful consideration. You and your colleagues have done so much to ensure that access to higher education remains a priority of the Commonwealth, and the colleges and universities of AICU Mass stand ready to work with the Legislature to continue to provide educational opportunities to all deserving students.

Sincerely yours,



Robert J. McCarron
President and CEO

Cc: The Honorable Karen Spilka, President of the Massachusetts State Senate
The Honorable Ronald Mariano, Speaker of the Massachusetts House of Representatives
The Honorable Cindy Friedman, Vice Chair of the Senate Committee on Ways and Means
The Honorable Ann Margaret-Ferrante, Vice Chair of the House Committee on Ways and Means
The Honorable Joanne Comerford, Senate Chair of the Joint Committee on Higher Education
The Honorable Dave Rogers, House Chair of the Joint Committee on Higher Education
The Honorable Members of the Senate Committee on Ways and Means
The Honorable Members of the House Committee on Ways and Means