

**Testimony to the Joint Ways and Means Committees on Using Federal ARPA Funds
to Invest in Public Higher Education**

Chairman Rodrigues, Chairman Michelwitz, and distinguished members of the Joint Committee on Ways and Means:

Thank you for the opportunity to testify on plans for using the unassigned federal American Rescue Plan Act funding in Massachusetts.

My name is Anastasia Martinez and I am a policy analyst at the Massachusetts Budget and Policy Center, a nonpartisan research organization that works with partners and policymakers to advance racial and economic equity in the Commonwealth.

Today, I will be sharing how COVID-19 has exacerbated inequities in our public higher education system and urge for investments in our students.

Overall, there have been no major investments in our higher education system in over two decades.¹ Despite a lack of investment, tuition and fees have continued to increase over the years, effectively placing the cost burden onto students and families. While rising tuition and fees have not helped the situation, there is also clear evidence that tuition and fees are not even half of the total cost of attendance students are expected to take on now.

Think back to your days as a college student. After you paid tuition, was that the end of your money worries? Of course not. Next comes books, supplies, rent, food costs, transportations, and for many of our students, childcare costs. These costs are forcing more students and families to take out and graduate with larger amounts of debt. The average debt for graduates now in Massachusetts is over \$30,000 and is only growing.²

As grim as this all sounds, it's only gotten worse with COVID-19. Not only are students taking on more debt, but the fear of debt and costs are causing some students—mostly students of color—to put off higher education altogether. At our community colleges alone, enrollment of first-time freshmen dropped about 33% for Black students and 25% for Latinx students.³

The passage of the American Rescue Plan Act presents a once-in-a-lifetime opportunity for massive investments and bold initiatives to our public higher education system, which are needed. There's already clear evidence that a well-educated workforce not only benefits those workers but the economy.

Denying low-income students and students of color affordable access to higher education not only exacerbates inequities but hurts the state. Therefore, MassBudget is urging policymakers to consider using a portion of these federal funds to eliminate tuition and fees for all students AND invest in non-

loan aid such as scholarships for historically marginalized students to cover their cost of living, allowing them to truly graduate debt-free.

Federal guidelines for the American Rescue Plan Act funds clearly state that funds should be used to address disparities exacerbated by the pandemic. Providing debt-free higher education helps reduce barriers and disparities to higher education, especially for low-income students and students of color. This, in turn, increases equity and allows these students to build wealth later more easily in life (such as buying a home), boosts the economy, and creates a larger workforce. Again, I respectfully ask you all to invest in our students during this unprecedented time.

Thank you for your consideration.

¹ Anastasia Martinez, “Choosing Equity: Options for Affordable Public Higher Education in Massachusetts,” <https://massbudget.org/2021/03/24/choosing-equity/>

² Anastasia Martinez, “Choosing Equity: Options for Affordable Public Higher Education in Massachusetts,” <https://massbudget.org/2021/03/24/choosing-equity/>

³ Department of Higher Education, “Equity Spotlight” <https://www.mass.edu/datacenter/2020enrollmenttrends.asp>