

January 4, 2024

U.S. Senator John Cornyn 517 Hart Senate Office Building Washington, DC 20510

Dear Senator Cornyn,

Thank you for your decades of leadership and public service for Texas. We are particularly grateful for your support of community colleges and recognition of our important role in ensuring a trained and credentialed workforce for our state and nation.

The <u>Texas Association of Community Colleges (TACC)</u>, a statewide non-profit organization, represents 48 community colleges across the state. On behalf of our member colleges, we respectfully request your co-sponsorship of S. 2920, the "Tax-Free Pell Grant Act."

This bipartisan legislation from Senators Charles E. Grassley and Sheldon Whitehouse would benefit all sectors of higher education, but the impact on many of the 665,000 community college students in Texas would be particularly meaningful.

The introduced legislation would make all Pell Grant funds non-taxable and alter the eligibility formula for the \$2,500 American Opportunity Tax Credit (AOTC) to enable Pell Grant recipients who attend community colleges to receive the credit. Current policy lessens the impact of this needs-based program by requiring substantial portions of Pell Grants to be reported as taxable income, which reduces the total amount of aid and ultimately limits student success. We support this important legislation with our colleagues nationwide.

Moreover, the timing for this federal legislation could not be better for Texas. As you know, this past June, Governor Greg Abbott signed into law House Bill 8, which is transformative legislation that changes the funding model for community



colleges in Texas to one based almost entirely on outcomes and performance. Texas community colleges continue to emphasize affordability, access, and student success, and we believe S. 2920 will assist in our efforts to achieve positive outcomes on behalf of the students we are privileged to serve.

Your support for S. 2920 will be meaningful for Texans seeking to uplift their families with a practical education by removing a costly and counterproductive hurdle to student success.

Thank you for your outstanding public service, and for the leadership you have provided throughout the years to our great state. We look forward to our continued partnership and collaboration with you on important issues aimed at achieving greater student success.

Please do not hesitate to contact Ray Martinez, President/CEO of TACC, if you have any questions or need additional information. Ray can be reached directly via mobile phone at (512) 653-3331 or by email at ray.martinez@tacc.org.

Respectfully,

BRENDA KAYS, Ed.D.

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President Kilgore College TACC Chair **BRENT WALLACE, Ph.D.**

Chancellor

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