

ABILITY TO BENEFIT

ISSUE BRIEF

“Ability to Benefit” option opens doors to financial aid

Community and technical colleges are known as “Democracy’s colleges” – for a good reason. They give everybody the opportunity to earn a college certificate or degree, land a well-paying job, and move up economically, regardless of their past academic background. For thousands of low-income students across the nation, the Ability to Benefit (ATB) provision of federal financial aid is the key to that opportunity.

This provision allows students who lack a high school diploma or equivalency to still apply for federal financial aid (Pell grants) by proving their “ability to benefit” from college, either by taking a test or completing six credits. Students need to be enrolled in Title IV-eligible certificate and degree programs – like I-BEST – where they learn basic skills as part of their career pathway. The goal is for these students to catch up on their basic skills while they earn certificates or degrees that will help them start solid careers.

The Ability to Benefit option was removed in 2012, but thanks to Senator Patty Murray, it was partially restored in 2014 and fully restored in December 2015. This once again opened the door to a living-wage job for low-income students who might lack a high school credential, but who are fully capable of, and committed to, learning basic skills and job skills concurrently in career-pathway programs.

Why does Ability to Benefit matter?

The Washington Student Achievement Council’s *Roadmap* report has two overarching attainment goals:

- All adults in Washington, ages 25-44, will have a high school diploma or equivalent;
- At least 70 percent of Washington adults, ages 25-44, will have a postsecondary credential.

Our efforts to meet these goals won’t count if students can’t pay for college. Through Ability to Benefit, eligible students have access to all federal student aid programs.

Ability to Benefit, in combination with other forms of financial aid (such as Opportunity Grants, State Need Grant, BFET, and WorkFirst), allows eligible students to pay not only for tuition, fees, and books, but other living expenses as well. This makes it more likely for students to attend full-time and complete college faster.

What are the requirements for students?

- Students must either pass an approved test or earn six college credits before placement on Ability to Benefit;
- Students must be enrolled in a Title IV-eligible career pathway program.



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What are the requirements for the college?

- Colleges must maintain documentation that the programs students enroll in are Title IV eligible;
- Colleges must offer students on Ability to Benefit the opportunity to also earn a high school credential. Earning the postsecondary credential is not dependent on earning the high school credential.

Funding the first six credits

When students choose the option to earn six college credits, many colleges find other sources of funding for the first quarter of college. These include Opportunity Grants, WorkFirst, BFET, Worker Retraining, other eligible funding sources, scholarships, or tuition waivers.

Resources

- Dear Colleague Letter on Ability to Benefit and Q&A document on Eligible Career Pathways:
<https://ifap.ed.gov/dpcletters/GENI609.html>
- Approved Ability to Benefit tests:
http://www.nasfaa.org/news-item/4747/6_24_Approved_Ability_to_Benefit_ATB_Tests



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