In his final State of the Union address, President Obama highlighted some of the achievements of his administration as well as challenges facing the nation. He talked about the importance of expanding educational opportunity and reiterated his support for free community college. AACC will be discussing the latest federal legislative and regulatory issues during a pre-NLS webinar on February 3.

**Obama Pledges to Continue His Push for Free Community College**

As was widely reported, President Obama's final State of the Union address de-emphasized detailed policy proposals. However, the president did comment on higher education, stating the need to make it affordable for every American. Obama mentioned that he would "keep fighting to get started" on his proposal to "provide two years of community college for every responsible student." He also mentioned that "we've actually got to cut the cost of college," and touted his policies that limit student loan repayments to no more than 10% of a borrower's income. The administration has indicated that it will release its FY 2017 budget on February 9, and at that point much more detail will be provided about many of the president's proposals for his final year in office.

**Register for AACC’s Pre-NLS Federal Policy Webinar**

Join the AACC government relations team on Wednesday, February 3, 3:00–4:00 p.m. (ET), for a free federal policy webinar. Whether or not you plan to attend the upcoming Community College National Legislative Summit (NLS), get a briefing on the latest news about federal funding, Higher Education Act and Perkins CTE reauthorizations, the America’s College Promise proposal, and more. [Register today](#).

**AACC’s 2016 Legislative Priorities**

http://echo4.bluehornc.com/hostedemail/email.htm?n=0e1bb57ca9c24df062df5de6ad23788e3&CID=-1
Now that Congress has wrapped up its FY 2016 appropriations work and finalized a tax bill, AACC has released an updated **community college priorities document** that summarizes key positions. Topics include reforming graduation rates, reinstating the year-round Pell Grant, tuition-free community college, investing in important federal student aid and institutional programs, and more.

**Experimental Sites Initiative: Pell Grants for Dual Enrollment**

The U.S. Department of Education (ED) provided a webinar earlier this week to discuss its latest experimental sites initiative: Pell Grants for Dual Enrollment. ED plans to provide detailed information on its Experimental Sites website, including a [Q&A](http://www2.ed.gov/about/offices/list/igo/experimentalitesites/qandadocuments.html). For more specifics about the initiative, see the [Federal Register](http://www2.ed.gov/about/offices/list/igo/experimentalitesites/edplan0116.html) notice. Applications are due by February 1, 2016.

**U.S. College Student Performance Barely Budes**

ED recently released two reports pertaining to educational attainment. The first report examines the most recent graduation rates, as well as [other information](http://nces.ed.gov/programs/direct-student-loan-program/). The second provides findings of a longitudinal study of first-time [college students](http://nces.ed.gov/programs/direct-student-loan-program/).

The official graduation rate tracks a cohort of first-time, full-time students for 150% of normal time to completion. For bachelor degree-seeking students attending 4-year institutions, the graduation rate was 59.6% for 2014, compared to 59.4% in 2013. For students attending public 2-year institutions, the graduation rate was 21.8% in 2014, slightly higher than the 21.1% rate the previous year. Extending the period to completion depicts stronger student performance. For example, a graduation rate at 200% of the normal time for degree- or certificate-seekers at public 2-year colleges is more than twice as high, moving from 11.3% to 26.7%. A more detailed analysis of the findings is available in the [Community College Daily](http://www2.ed.gov/about/offices/list/igo/experimentalitesites/edplan0116.html).

The Beginning Postsecondary Students Longitudinal Study tracks first-time students for 3 years. The students are interviewed about their educational intentions and then again at the end of the 3-year period. This information is supplemented with other data, including IPEDS, the National Student Clearinghouse and the National Student Loan Data System data. Of the students enrolled in 2011 in a public 2-year institution to purse a certificate, 36% earned a certificate at any institution; 12% of those seeking an associate degree attained one at any institution, and another 2% earned a certificate. Three years after they enrolled at a public 2-year institution, 44% were not enrolled at any institution in 2014, virtually unchanged from the 45% students starting in 2003 and [tracked](http://nces.ed.gov/programs/direct-student-loan-program/) for 3 years. For more information, see the [Community College Daily](http://www2.ed.gov/about/offices/list/igo/experimentalitesites/edplan0116.html).

**U.S. Not at the Head of the Class**

Comparative Indicators of Education in the United States and Other G-20 Countries: 2015, an [ED report](http://nces.ed.gov/programs/direct-student-loan-program/) released in December, compares the education system, including postsecondary attainment, in the U.S. with those of the other Group of 20 countries. The G-20 countries represent 85% of the world’s economy and two-thirds of its population. The U.S.’s 39% graduation rate below the doctoral level for typical age students is bested by several countries, including the UK (55%), Australia (50%), and Japan (44%). With few exceptions, the graduation rate for females is higher than for males, including the U.S.—45% compared to 32%, respectively. The percentage of adults ages 25 to 64 whose highest educational attainment is an associate degree or higher is 42% for the U.S., compared to 53% for the Russian Federation, 51% for Canada, and 46% for Japan.

**State Funding of Community Colleges Still Below Pre-Recession Levels**

Two reports on state funding of higher education were released this month. Despite using different sources, one relying on ED’s IPEDS data and the other results of a survey of the National Council of State Directors of Community Colleges (NCSDCC), both said pretty much the same thing, that state spending has increased but remains below pre-recession levels.

The fact that the financial position of community colleges has improved is welcome news, but the reason for it—enrollment declines—is troubling. According to the latest [Delta Cost Project report](http://nces.ed.gov/programs/direct-student-loan-program/) on higher education revenues and expenditures, Trends in College Spending: 2003-2013, there are encouraging trends in state spending on higher education. Community colleges are highlighted as experiencing higher spending per full-time equivalent student for two consecutive years, but not without a cautionary note that the “community college financial position remained far below levels observed at the beginning of the recession.” The results of the increase in spending have been positive, with a sharp growth for three years in a row of degrees and certificates.