

# Turning President Obama's American Graduation Initiative Into Legislation

American Association of  
Community Colleges

September 3, 2009

# Obama Administration and Community Colleges

- Emphasis on CCs as Central to Achieving Nation's Educational and Economic Goals
- Key High-Level Appointments with CC Backgrounds/Familiarity
- Consultation Early and Often with AACC
- ARRA (Stimulus Bill) Reflects Support of CC Mission

# Administration Goals for Higher Education/Community Colleges

- Each Citizen Should Obtain at Least One Year of Postsecondary Education
- America to Regain World Lead in Higher Education Attainment by 2020
- CCs to Graduate 5 Million More Students (degrees, certificates) by 2020

# Obama Department of Education

- Wants Involvement With Education Practice!
- Strong Emphasis on Data and Research-Informed Policies
- Education Viewed as Continuum—Break Down “Silos”
- Great Reliance on States to Implement Priorities

# Obama's American Graduation Initiative Proposals

- \$12 Billion, 10-Year CC Investment
- Funded by Shift to 100% Direct Lending
- Few Programmatic Details
- “Challenge Grants” to Increase Community College Degree and Credential Attainment
- Broad Use of Funds Allowed: Workforce Partnerships, Dual Enrollment, Remedial Education, Counseling, etc.

# American Graduation Initiative

- \$2.5 Billion (Over 5 Years) State-Based Access and Completion Innovation Fund to Complement Challenge Grants
- \$2.5 Billion in CC Facilities Funding—3:1 Match Required
- Facilities Funds to Pay Interest on Debt, Seed Capital Campaigns, or Create State Revolving Loan Fund

# American Graduation Initiative

- Create “Online Skills Laboratory”—Grants to Fund Open Online Courses—\$50 Million Annually
- Courses To Be Made Available by at Least One Community College and Distributed Learning Network
- (More on Proposal at [www.whitehouse.gov](http://www.whitehouse.gov))

# House Version of American Graduation Initiative

(H.R. 3221, FY 2010 “Reconciliation”)

- Cleared Education and Labor Committee 7/21/09
- Mandates 100% Direct Loan Participation by July 1, 2010 (saves \$87 Billion over 10 years)
- Increases Pell Grant maximum by CPI + 1% through 2019 (variant of Obama proposal)
- Creates \$3.0 Billion, 6-Year, State-Based Access and Completion Fund
- Simplifies and Revises Needs Analysis
- Funds HBCUs and HSIs

# H.R. 3221 American Graduation Initiative

## Section 503 Grants for CC Reform

- Allows CCs (and some 4-year colleges), Area Career and Technical Schools, and States (no more than 50%) to Compete for 4-year grants
- Minimum Grant \$750,000; 1:1 match; In-kind Match Allowed
- Funding: \$630 million/year for 4 years
- Joint ED/DOL Administration
- Grants to support innovative/proven effective programs that lead to a postsecondary degree, certificate, or industry-recognized credential

# H.R. 3221, Sec. 503

- Colleges Must Establish Annual Quantifiable Benchmarks in 11 Areas
- Grants can be Withdrawn After 3 Years if “Demonstrable Progress” Not Met
- 3 Grant Priorities: Serving Nontraditional Students; Title III/V-eligible; Partnerships with Business, Labor, Philanthropy
- Misguided Transfer Reporting Requirement

# H.R. 3221, Sec. 504 State Grants

- Years 5 to 10 of AGI—Six-Year Grants to States to “Systematically Reform” Community College Systems
- State Policies to be Derived from Federal Study of Sec. 503 Grants
- Other State Eligibility Criteria: Articulation, Data Systems, Persistence Plan
- \$630 Million Annual Funding; 1:1 Match; “Supplement, Not Supplant”

# H.R. 3221, Sec. 504 Grants

- State Must Meet Same Benchmarks as in Sec. 503 Grants; Annual Reporting
- Grants Can Be Withdrawn After 3 Years if Demonstrable Progress Not Made
- States Must Pass Through 90% of Funds to CCs (AACC Pre Mark-Up Proposal)

# H.R. 3221 CC Facilities (Sec. 351)

- \$2.5 Billion in FY 2011 (available until spent)
- States Receive Funds on Basis of Relative CC Enrollments; Broad Latitude on Allocation to CCs
- Funds to Reduce CC Financing Costs, Capitalize Revolving Fund, Provide Matching Funds for Capital Campaigns
- New Construction, Modernization, Renovation

# H.R. 3221 CC Facilities Funding

- 3:1 Match Required
- 50% of Campus Assistance Must be Used for Projects Meeting Green Standards

# H.R. 3221 “National Activities”

- \$50 Million in Grants Over 10 Years to Develop Open, Online Courses for Training, High School, and College Courses
- \$50 Million Over 4 Years for
  - (1) “Learn and Earn Research Center” to Develop Metrics to Measure CC Effectiveness
  - (2) Fund Development of “Interoperable” State Data Systems

# Legislative Course for H.R. 3221

- Probably to House Floor Shortly After Labor Day; Largely Party Line Vote Expected
- AACCC and ACCT Strongly Support Legislation and Urge Institutions to Contact Representatives in Support

# Senate Landscape

- Legislation Now Being Written; Health, Education, Labor, and Pensions Committee Action Likely in Late September (10/15 deadline)
- Legislation Expected to Generally Track House Bill but Contain Key Differences
- Legislative Link to Health Care Reform

# AACC AGI Senate Position

## GRANT PROGRAM

- (1) Only Legitimate Community Colleges Should Be Eligible, NOT Area Career and Technical Schools as in H.R. 3221
- (2) Create Two Rounds of Five-Year Grants; Community Colleges Should be Eligible For BOTH Rounds
- (3) Match of \$1 for Each \$3 of Federal Funds
- (4) Limit State Grants to 25% of First Round; 35% of Second Round

# AACC Senate AGI Position

- 5) Focus Grants on Specific Educational Attainments and Limit Required Benchmarks to Goals Defined in Applications; 20% Optional Workforce Component
- 6) Require States to Pass 90% of Funds to CCs (as in H.R. 3221)
- 7) Modify Transfer Provision in House Bill

## FACILITIES

Ensure That Federal Funds Can Be Matched  
On 3:1 Basis with Non-Federal Sources

# Act Now!

- Contact Your Senate Offices on Behalf of AACCC Recommendations; Use AACCC Web site as Resource: [www.aacc.nche.edu](http://www.aacc.nche.edu)
- Ask Representatives to Support H.R. 3221

# Keeping Informed and Involved

- AACC Will Sponsor Two More Webinars on AGI
- Attend AACC's **Washington Institute** in DC on November 8 – 10 to Advocate on AGI and Learn More About What Goes on Inside Beltway (Please register on AACC Web site)
- Attend **National Legislative Summit** (NLS) in Washington on February 8-10, 2010

# AACC Resources

- AACC Web site: [www.aacc.nche.edu](http://www.aacc.nche.edu)

David Baime, [dbaime@aacc.nche.edu](mailto:dbaime@aacc.nche.edu),  
202.728.0200, ext. 224

Jim Hermes, [jhermes@aacc.nche.edu](mailto:jhermes@aacc.nche.edu), ext. 216

# THANKS FOR PARTICIPATING!