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Washington Watch

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March 17, 2017

Trump Administration Releases FY 2018 Budget Blueprint

On March 16, President Trump's FY 2018 [federal budget blueprint](#) was unveiled. The president's plan calls for \$54 billion in additional defense and security spending offset by decreases in domestic agency budgets, including funding for the Departments of Education and Labor. While this "skinny budget" offers few program details, it calls for a significant downsizing of the federal government, proposes the elimination of numerous independent agencies, and calls for regulatory reduction. For more, see [AACC's analysis](#) and [CC Daily](#).

Presidential Executive Order on Reorganizing the Executive Branch

Prior to the release of the budget, the White House released an executive order calling for a "comprehensive plan for reorganizing the executive branch." It directs federal agency heads to submit plans to make their respective agencies more efficient and effective to the Office of Management and Budget (OMB) within 6 months and invites the public to make suggestions for improvements. See the notice in the [Federal Register](#).

Key Legislation Reintroduced

Earlier this week, Senators Marco Rubio (R-FL) and Michael Bennet (D-CO) reintroduced a bill designed "to create an alternative system of accreditation" for higher education providers. Their bill, [S. 651](#), calls

for a new outcomes-based process for authorizing alternative providers of higher education. Also, Senators Tammy Duckworth (D-IL) and Al Franken (D-MN) reintroduced the Community College to Career Fund Act “to help community colleges prepare students” for high-demand jobs. The legislation would create a competitive grant program to fund partnerships between the 2-year colleges and businesses. See [CC Daily](#).

Register Now for AACC’s 97th Annual Convention

Meet us in New Orleans for this year’s convention, April 22–25. For more information, visit the [AACC website](#).

Advocates in Action

As Congress focuses on critical funding decisions and important legislation for community colleges, your voice is needed in Washington, DC. Join us at [AACC’s Advocates in Action](#), June 12–13. Designed to provide community college leaders with greater access to key executive branch officials and Congressional staff, this interactive program will focus on how to advance community college top priorities on Capitol Hill.

Federal Agency Resources & News

Gainful Employment Deadlines Delayed—The U.S. Department of Education (ED) took several actions this month, including [posting](#) in the Federal Register the deadline postponement of the disclosure requirements of the Gainful Employment regulations from April 3 to July 1, 2017.

IRS Data Retrieval Tool for FAFSA Currently Unavailable—On March 10, [ED announced](#) that the Data Retrieval Tool (DRT) for downloading income tax information from the Internal Revenue Service to the FAFSA was “currently unavailable.” The DRT is expected to be unavailable for several weeks, which the IRS explained was due to concerns about security. With college administrators in the midst of determining financial aid awards for next year, the National Association of Student Financial Aid Administrators (NASFAA) [wrote](#) ED Secretary DeVos asking for relief to FAFSA filers and institutions. Due to the reliance on DRT for financial aid applications and renewal of income-driven repayment plans, the letter urged ED “to leverage all available resources to restore the DRT as soon as possible.” The chairs and ranking members of the House and Senate education committees also [sent a letter](#) requesting a staff briefing from Secretary DeVos about the status of the DRT. (Note: Parts of the ED website are experiencing technical difficulties. If you can’t access a link right now, please try back later.)

Institutions Sent Draft Cohort Default Rates—On February 27, institutions were sent draft fiscal year 2014 [cohort default rates and related materials](#), including instructions for submitting appeals.

Updated Federal Student Aid Data—Information in the Federal Student Aid Data Center was [updated](#) through December 2016. The FSA Data Center presents financial aid information on a quarterly basis. Among the findings for this period are that 5.4 million applications were completed under the early FAFSA application cycle in the first quarter of the 2017-2018 cycle; the outstanding loan portfolio is made up of 25% FFEL loans, almost 74% direct loans, and less than 1% Perkins loans; and 5.9 million of direct loan borrowers were in an income-driven repayment plan, a 30% increase since the previous year.

Policy Related Reports

Many Students Complete College Within 6 Years—Across all higher education sectors, 40.5% of the 2010 cohort of first-time, full-time degree-seeking students completed their program after 4 years, either at the starting institution (36.1%) or an institution they transferred to (4.4%). At the end of 6 years, the completion rate increased to 61.1%, with half at the starting institution, according to a new [National Student Clearinghouse report](#). For first-time, full-time students who started at public 2-year institutions, by the end of the third year, 22.6% had completed their program, compared to 42.1% at the end of year 6. AACC advocates the inclusion of a 6-year measure for student success in the Higher

Education Act when it is reauthorized. AACC and ACCT have [expressed support](#) for S. 351, a bill recently introduced by Sen. Orrin Hatch (R-UT).

Employment Closely Tied to Educational Attainment—Why are so many American men not working? [According to David Wessel](#) at the Brookings Institution, “it’s no longer possible to get a good job with just a strong back and a good attitude.” Not surprisingly, men with only a high school education are less likely to be working than those who have earned a college credential. Other reasons cited include the high incarceration rate and ensuing criminal record, being on disability benefits, and lower wages for many occupations. Several policy implications are enumerated, many involving education, such as the government investing in education and training “to help men gain marketable skills, or provide subsidies to employers to incentivize the hiring of low-skilled workers.”

Study Examines Food and Housing Insecurity on Campus—According to [a study](#) by the Wisconsin Hope Lab, “Food and housing insecurity among the nation’s community college students threatens their health and wellbeing, along with their academic achievements. Addressing these basic needs is critical to ensuring that more students not only start college, but also have the opportunity to complete degrees.” The study concluded that financial aid and employment are not adequate to prevent students from going hungry or homeless. Unfortunately, social programs designed to address these challenges often go unused due to a lack of information. For more, see [CC Daily](#). The study’s authors encouraged college administrators to pursue creative approaches such as creating food pantries and community gardens, as well as providing access to social programs through efforts such as Single Stop. Recommendations aimed at federal and state governments include reinstating year-round Pell, allowing Pell recipients to access the American Opportunity Tax Credit, and simplifying the FAFSA application process, which are supported by AACC.

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