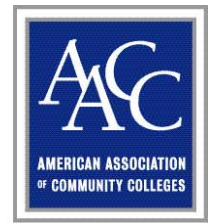


# NEWS



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## **OBAMA PROPOSES HISTORIC INVESTMENT TO BUILD COMMUNITY COLLEGE CAPACITY** **More than \$12 billion investment would expand skills training, facilities**

Washington, DC – Speaking at Michigan’s Macomb Community College, in a state with a decimated auto industry and unemployment topping 14%, President Obama today proposed the American Graduation Initiative, a \$12 billion federal investment to substantially expand the capacity of the nation’s community college system.

If implemented, the new program would represent an historic new federal investment in the largest and fastest growing segment of higher education. Community colleges already enroll almost half of all U.S. undergraduates.

As outlined by the President, the new support would be concentrated in four principal areas:

- **Community College Challenge Fund:** This funding would go to improve programs at community colleges, with an emphasis on those for high-demand jobs. Funds would also be focused on increasing high school dual enrollment programs and articulation with four-year institutions, improving developmental education and increasing access to “wrap around” services such as tutoring and child care.
- **College Access and Completion Fund:** Previously proposed by the Administration, these funds would go to innovative programs to increase student success. The total funding for the Challenge Fund and Completion Fund is proposed at \$9 billion over 10 years.
- **A renovation/construction fund:** The federal government would put up \$2.5 billion to leverage \$10 billion in funding for renovation and construction on community college campuses. The resources could be used to pay the interest on bonds or other debt, seed capital campaigns, or create state revolving loan funds.
- **National Online Skills Laboratory:** The proposed program would provide federal funding for the development of 20-25 high quality open web-based high school and college-level courses. Career oriented classes would be the initial priority. The Departments of Defense, Labor and Education will work together to make the courses freely available through one or more community colleges and the Defense Department’s distributed learning network. Funding for this program would be \$50 million per year over ten years.

Responding to the President’s announcement, American Association of Community Colleges (AACC) President George R. Boggs welcomed the much needed support for member colleges.

“The new investment announced today by the Obama administration is a historic vote of confidence in America’s community colleges. It underscores the central role of these institutions to ensure an educated U.S. citizenry and a competitive workforce. We are deeply grateful for the added capacity this support will provide to meet the challenge of economic recovery today and to expand opportunity for the future,” Boggs said. Boggs added that “the financial strain that our colleges are experiencing cannot

be overemphasized. New federal assistance will help our colleges weather the current financial storm but, just as importantly, position community colleges to help sustain the nation’s long-term prosperity.”

During the extended economic downturn, the almost 1,200 two-year colleges have seen dramatic enrollment growth, fueled by high school graduates seeking a lower cost entry into college and adult learners needing new skills to gain employment or keep their jobs. Meanwhile, state and local budget difficulties have exacerbated the colleges’ capacity problems. Nationally, community colleges receive close to 60% of operating funds from state and local sources.

For additional information about AACC or community colleges, see [www.aacc.nche.edu](http://www.aacc.nche.edu).

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