

The American Graduation Initiative: Senate Legislation and Influencing the Final House-Senate Bill

American Association of Community
Colleges

November 5, 2009

American Graduation Initiative— Background

- Central to Obama Administration's Effort to Dramatically Increase U.S. Postsecondary Attainment
- Community Colleges Challenged to Graduate 5 Million More Students by 2020
- Historic Focus on One Sector of Higher Education
- CCs Linchpin of Broader Integrative Approach to Education and Job Training Policy

American Graduation Initiative— Obama Proposal

- Unveiled July 14 at Macomb Community College
- \$12 Billion Package--3 Primary Components:
 - 1) Community College “Challenge Grants” to Improve Numerous Aspects of Performance
 - 2) Facilities Funding: \$2.5 Billion
 - 3) Fund Open On-Line Courses Delivered by at Least One Community College

House Reconciliation Legislation, H.R. 3221 (Contains AGI)

- Passed House September 17 by 253-171
- Party-Line Vote: 6 Rs and 4 Ds Broke With Party
- Mandates 100% Direct Lending by July 1, 2010 (Saves \$87 Billion Over 10 Years)
- Funds Pell Grant Increases (CPI + 1% Annually), HSIs/HBCUs, College Access and Completion Grants(\$2.5 Billion Over 5 Years), Simplifies and Revises Needs Analysis, AGI

H.R. 3221, Sec. 503 Grants

- Provides \$630 Million Annually Over 4 Years for Competitive Grants to “Eligible Entities” (Includes States and Area Career and Technical Schools)
- Minimum Grant \$750,000
- 1:1 Match, In-Kind Permitted
- Joint ED/DOL Administration
- Grants to Support Innovative/Proven Effective Programs Leading to Degree, Certificate, or Industry-Recognized Credential

H.R. 3221, Sec. 503 Grants

- Applications Targeted on Benchmarks Approved by Secretary—Potential Loss of Funding After Year 3 If “Demonstrable Progress” Not Made
- Grant Priorities: Serving Non-Traditional Students; Title III/V-Eligible; Partnerships with Business, Labor, Philanthropy

H.R. 3221, Sec. 504 Grants

- Gives States \$630 Million in Years 5-10 of Program to “Systematically Reform” CCs
- Same Benchmarks as in Sec. 503
- Little Elaboration on In-State Implementation
- States Must Pass Through 90% of Funds to CCs
- Reflects Administration Bias Towards Using States as Vehicle for Higher Education Reform

H.R. 3221 Facilities (Sec. 351)

- \$2.5 Billion in FY 2010
- States Receive Funds on Basis of Relative CC Enrollments; Broad Latitude on Allocation to CCs
- Funding to Reduce Financing Costs, Capitalize Revolving Fund, Provide Matching Funds for Capital Campaigns
- New Construction, Modernization, Renovation

H.R. 3221 Facilities (Sec. 351)

- 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/Year Over 10 Years to Develop Open, Online Courses for Training and College Ready 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 CC Data Systems

H.R. 3221 Transfer Requirements

- Sec. 503 Grantees Must Indicate in Schedules Each Course's Transferability to 4-Year Publics—AACCC Opposes
- Authorizes Secretary of Education to Develop National Transfer Platform
- Requires States Getting Sec. 504 Grants to Develop and Implement Public Institution Articulation

AACC Proposed Changes to H.R. 3221

- Restructure Second Phase of Grants—
Eliminate State “Systematic Reform” and
Replace With Competition or Grant Extension
- Reduce 1:1 Match
- Overhaul Transfer Provisions
- Broaden Use of Facilities \$
- Expand Priority Language to Include Remedial
Education and Persistence

Senate Parliamentary Landscape

- HELP Committee Must Consider Education Bill Under Reconciliation Rules
- HELP Committee *May* Choose to Consider Health Care Reform Under Reconciliation Rules
- HELP Committee Can Only Pass One Reconciliation Bill
- Implications for AGI: HELP Committee on Hold While Health Care is Debated—Not Good for CC Advocacy

Congressional AGI Landscape

- Delayed Senate Action Will Likely Create Rush to Enact Bill in 2009
- Congress Has Only 7 Weeks to Get Bill Through Senate and Conferenced Before Adjournment
- House-Senate Negotiations Likely to Be Fast, Furious, and Behind-the-Scenes

AACC Senate Message

- Enact Higher Education Reconciliation Bill that Moves to 100% Direct Lending and Maximizes Pell Grant and AGI Spending
- Make Second Round Grants Available to Colleges
- Let Institutions Set Priorities (as in House)
- Create Planning Grants
- Require Lower Match Than 1:1 in House Bill
- Overhaul House Transfer Requirement
- Increase Funding for Institutional Grants

AACC Senate Message

- Broaden Facilities Funding to Allow Simple 1:3 Matching Grants For Institutions

Influencing Congressional Actions

- Contacts to Senate Reflecting AACC Position Should be Made Now—HELP Committee Democrats Need Details
- Inform Representatives About Concerns With H.R. 3221, While Supporting Bill Overall
- Stay Tuned for Updates on Further Activity—Expect Short Notice

Implementation of AGI/AACC Plans

- Colleges Should Expect Mandatory July 1, 2010 Participation in Direct Lending
- AACC Will Sponsor Final Webinar Once Legislation is Enacted
- AACC Will Conduct Regional Workshops With Feds on AGI Application Process When Timing is Right

Keeping Informed and Involved

- Consult AACCC Web site: www.aacc.nche.edu
- Sign Up for AACCC Alerts
- Contacts:
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Thanks for Your Participation!