

# AACC PRE-NLS WEBINAR



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# TOPICS

- **Latest on Trump Administration Activities**
  - Confirmations and Personnel
  - Executive Orders
- **NLS Priority Issues**
  - Pell Grants
  - Federal Funding
  - Higher Education Act Reauthorization
  - BRIDGE Act
  - Perkins Act Reauthorization
  - Tax Reform

# TRUMP ADMINISTRATION ACTIVITIES

- **Cabinet Secretaries**
  - DeVos narrowly confirmed by Senate.
  - Puzder hearing delayed for fourth time.
  - Others confirmed with comparative ease.
- **Sub-Cabinet Level Officials at ED and DOL**

# TRUMP ADMINISTRATION ACTIVITIES

- **Executive Order on Immigration**

- “Protecting the Nation from Foreign Terrorist Entry Into the United States”
  - Halts all entries from 7 countries previously named as supporting terrorism for 90 days.
  - Suspends refugee admissions for 6 months.
  - Cuts in half the target number of refugee admissions for the year.
- Much concern and confusion on college campuses.
- AACC and many community colleges signed letters expressing serious concerns with the order.
- Colleges jointly registered concern to Administration.
- Draft executive orders on other issues, including DACA, leaked but not yet signed.

# NEW CONGRESS - SENATE

- **Less Change Than Anticipated**
- **Alexander (R-TN) and Murray (D-WA) Retain Key Posts on HELP**
  - Good news for CCs.
- **Appropriations and Finance Committee Leadership is Stable**
  - Also good news for CCs.
- **Level of Cooperation From Democrats and Future of Filibuster in Question**

# NEW CONGRESS-HOUSE

- **Virginia Foxx (R-NC) New Chair of Ed/Workforce**
  - Brett Guthrie (R-KY) is Higher Education Subcommittee Chair; Ranking D not named.
- **Rod Frelinghuysen (R-NJ) New Apps. Committee Chair**
- **Tom Cole (R-OK) Remains Labor-HHS-ED Sub. Chair**
- **Kevin Brady (R-TX) Continues to Head Ways and Means Committee**

# CONGRESSIONAL LANDSCAPE

- **Presidential Transition Slows Activity**
- **Some Top (and Time-Consuming) Priorities Include:**
  - Cabinet Confirmations
  - Gorsuch Nomination
  - Immigration
  - Obama Care Repeal/Replace via Reconciliation
  - Infrastructure
  - Tax Reform

# NEW ADMINISTRATION PERSONNEL

- **Sec. of Education: Betsy DeVos**
  - Virtually No Record on Higher Education
  - Strong Support for Charter Schools and Vouchers
  - Seems Willing to Question Existing Practices
  - Major Republican Donor and Former Michigan Party Head
  - Highly Controversial Nomination
- **Sec. of Labor: Andrew Puzder**
  - Private Sector Background - Headed Hardee's and Carl's Jr.
  - Strong Opponent of Obama Overtime Rule and \$15 Minimum Wage
- **Sub-Cabinet Posts Critical in Both Agencies**



# I. SUPPORT THE PELL GRANT PROGRAM

- **Reinstate the Year-Round Pell Grant**
  - Included in Senate Appropriations Committee bill, not in House.
  - Still on table in FY 2017 when CR is finalized (by April 28).
  - Surplus has grown yet again and remains prime target for diversion.

# SUPPORT THE PELL GRANT PROGRAM

- **Other Pell Grant Priorities**

- **Protect the Pell Grant surplus, and utilize surplus to reinvest in the program.**
- **Fully re-instate eligibility for “ability-to-benefit” students.**
- **Allow students to receive Pell Grants for a total of 14 full-time equivalent semesters.**
- **Allow additional access to Pell Grants for short-term workforce-oriented programs.**

## II. INVEST IN EDUCATION AND WORKFORCE TRAINING

- **FY 2017 Funding Yet to be Finalized**
  - CR runs through April 28<sup>th</sup>
  - Omnibus or another CR for rest of the year?
- **FY 2018 Budget Timing Unclear**
  - Administration's request sometime in spring.
  - "Skinny" budget may come first.
  - Fears of proposed deep spending cuts.
  - Vehicle for second reconciliation bill.

# INVEST IN EDUCATION AND WORKFORCE TRAINING

- **Raise the Sequester Cap on Non-Defense Discretionary Spending**
  - Cap calls for \$3 billion less for NDD programs compared to FY 16.
- **Provide Inflation-Level Increases for Key Programs**
  - Workforce Innovation and Opportunity Act
  - Federal Supplemental Educational Opportunity Grants
  - Federal Work Study
  - Carl D. Perkins Basic State Grants
  - Strengthening Institutions Program and programs supporting Minority Serving Institutions
  - Adult Basic Education State Grants
  - National Science Foundation's Advanced Technological Education Program

# III. INFRASTRUCTURE

- Major Trump Campaign Theme
- Community Colleges Continue to Have Massive Needs
- AACCC is Pursuing Both Direct Funding for Facilities and For Training Needed Workers
- Financing of Initiatives is Unclear Given Deficit and Fiscal Environment
- Private Sector Emphasis Problematic for CCs

# INVEST IN COMMUNITY COLLEGE INFRASTRUCTURE

- **Infrastructure Spending Should Include Community Colleges**
  - Direct support for institutional infrastructure.
  - Funding for workforce training programs linked to infrastructure jobs.
    - Similar to TAACCCT and CBJTG.
  - Plans for infrastructure bill are unclear.

# IV. REAUTHORIZE THE HIGHER EDUCATION ACT

- **Committees Seems Intent on Acting in 2017, Particularly Senate**
  - Administration may defer to Hill.
  - Second reconciliation bill may usurp process.
- **No New Money and “Simplification” May Be Prominent Themes**
- **Falwell Task Force Should Sparkplug Deregulation**
- **Accreditation, Risk-Sharing Remain CC Worries**
- **Top Priorities Include:**
  - YR Pell Grant
  - Short-Term Pell Funding
  - Loan Reforms
  - Outcomes Measurement Reforms
  - State Maintenance of Effort
- **Senate HELP Committee Key Locus of Activity**

# REAUTHORIZE THE HIGHER EDUCATION ACT

- **Loans**

- Limit borrowing based on enrollment intensity and degree and program type.
- Revise cohort default rates by incorporating the percentage of students who borrow.
- Simplify and consolidate Direct Loan repayment options with low-debt borrowers in mind.
- Enhance student loan servicing.



# REAUTHORIZE THE HIGHER EDUCATION ACT

- **Risk Sharing**

- Oppose new financial penalties or sanctions tied to loan repayment rates or defaults.

- **Transparency and Measurements**

- Add 300% of “normal time” graduation rate for community colleges.
- Create a national student unit-record data system to effectively track student enrollment, completion, and earnings.

# REAUTHORIZE THE HIGHER EDUCATION ACT

- **Additional HEA Priorities**

- Ensure maintenance of adequate state funding.
- Simplify the FAFSA to increase applications.
- Reduce regulatory burden on campuses and enhance relationship with ED.

# V. SUPPORT DACA STUDENTS

- **Pass the BRIDGE Act (S. 128, H.R. 496)**
  - Bar Removal of Individuals who Dream and Grow our Economy (BRIDGE) Act
  - Essentially codifies DACA for 3 years.
  - Not reversible by executive order.
  - Bipartisan support.

# VI. REAUTHORIZE THE PERKINS ACT

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- **Reauthorization Passed House late Summer**
  - **AACC Supported Legislation**
    - Better alignment with WIOA.
    - Career pathways enhancement.
    - Improved integration with business.
    - Maintained basic funding structure.
- **Senate Action Hoped for But Did Not Occur in 2016**
- **Candidate for Relatively Expeditious Action in 2017**
  - Before HEA Reauthorization

# REAUTHORIZE THE PERKINS ACT

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- **NLS Priorities**

- Support highly effective CTE programs by emphasizing connections between Perkins recipients and the businesses and industries that they serve.
- Streamline and Align CTE performance indicators with WIOA

# VII. SUPPORT STUDENTS AND INSTITUTIONS THROUGH THE TAX CODE

- Tax Reform Top Congressional and Trump Priority
- Likely Use of Reconciliation to Expedite
  - Undertaking remains colossal and will take months.
- Appears Likely to be Far-Reaching
  - Sacred cows on table.
- Camp 2014 Reform Draft is Guiding Document
- CC Concerns Include:
  - Modification of Charitable Deduction
  - State and Local Tax Deduction
  - Tax Exempt Bonds Financing
  - Section 127
  - Tax Credits

# SUPPORT STUDENTS AND INSTITUTIONS THROUGH THE TAX CODE

- **NLS Positions**

- Reform the AOTC to ensure that community college students who receive Pell Grants may also receive the tax credit.
- Increase AOTC refundability.

# KEEP IN TOUCH!

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