COMMUNITY COLLEGE LEGISLATIVE PRIORITIES

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May 12, 2015
Increase Domestic Discretionary Appropriations Cap to Permit Needed Investment in Higher Education, Job Training and Other Key Programs

- WIOA
- Perkins Career and Technical Education Act
- TRIO and GEAR UP
- SEOG and Federal Work Study
- Strengthening Institutions
- Hispanic Serving Institutions
- Predominantly Black Institutions
- Tribally Controlled Colleges
- NSF’s Advanced Technological Education Program
FY 2016 BUDGET & APPROPRIATIONS

- FY 16 Congressional Budget Resolution Maintains Sequester Level Caps for FY 16
  - Lowers NDD spending by $496 billion over next ten years.
  - Assumes large cuts to student aid but is non-binding.
  - Reconciliation limited to health care (no student aid cuts).
  - “Fair value accounting” on student loans is limited.

- Obama FY 16 Budget Ignores Sequester Caps
  - $37 billion more for NDD programs.
  - Most big ticket items, including America’s College Promise, funded on mandatory side of budget.
FY 2016 BUDGET & APPROPRIATIONS

- 302(b) Allocation for Labor-HHS-Education Spending Bill is $3.7 B Less Than FY 2015—$153.1 B, 2.4% cut
- House Democrats Joining Together to Oppose all Republican Spending Bills
- Senate 302(b) Allocations Expected in June
- President Has Threatened to Oppose Bills that Reflect Sequester Caps
- Stage Set for Budget Deal This Fall (appropriations, debt ceiling)?
Provide Level Funding for Pell Grants for the Upcoming FY 2016

- Award increases by $45, to $5,775, for award year starting July 1.
- $4,860 appropriation triggers automatic, CPI-based increase in 2016-17 maximum grant (new maximum projected at $5,915).
- Don’t use “surplus” Pell Grant funds for other purposes.
  - No program shortfall until FY 18 with steady funding.
  - $300 million diverted from program in FY 15.
Provide Full Pell Grant Eligibility for ATB Students Enrolled After This Year

- Challenge finding offset even though amount is relatively small.
HIGHER EDUCATION ACT REAUTHORIZATION

- Hearings Continuing in House and Senate
- AACC Submitted Comments 4/24 on Sen. Alexander Staff White Papers (Accreditation, Risk-Sharing, and Data/Transparency)
- Senate ESEA Reauthorization Fosters Hope of Bi-Partisanship
- Legislative Timetable Has Slackened But AACC Assumes Enactment This Congress
- Numerous Related Bills Have Been Introduced, Including Campus Accountability and Security Act
Reform Graduation Rates to Reflect CC Students

- “Official” ED graduation rate grossly misrepresents community college success.
  - ED official completion rate = 21%
  - NSC rate (six year window, graduation from any institution) = 57%
- Include transfers-out (ED rate does not).
- Measure rate at 300% of “normal” program length.
  - In addition to 100% and 150%
  - For community colleges only.
  - Matches VFA six-year window.
- Faces Congressional resistance over perceived “laxness”
Reinstate the Year-Round Pell Grant

- Students can earn credentials more quickly; increases retention and persistence rates.
- 2008 HEA authorized year-round Pell, but only implemented for one year.
  - Eliminated in 2011 to address Pell Grant shortfall.
  - Many institutions had plans to structure offerings to take advantage of expanded assistance.
- Cost of reinstatement is an issue, but proposal has strong support.
Community Colleges Have Broad Loans Agenda for Both Students and Institutions

Decouple Pell Grant and Student Loans Eligibility

- High CDRs make institutions ineligible for loan programs and Pell Grants.
- Community college students receive more aid through Pell Grants than loans; only such sector.
- Punishes current students for actions/misfortune of smaller number of past students.
- Potential loss of Pell eligibility is factor in some colleges’ non-participation in federal loans program.
As Part of Broader HE/Tax Reform Effort, Repeal the “Pell Grant Penalty” That Reduces or Eliminates Community College Student AOTC Eligibility

- Current formula subtracts Pell Grants received from eligible credit expenses (tuition, fees, and course materials).
- Hurts low-income students attending low-cost institutions.
- Higher income families and/or students at costlier institutions not affected.
Obama Proposal Has Garnered Enormous Attention

Enact Legislation Consistent With President Obama’s America’s College Promise Proposal

- Program should be:
  - Financially stable to ensure predictability.
  - Easily understandable to students and broader public.
  - Have clear and consistent eligibility standards.
  - First dollar – students would still receive Pell Grants and other student aid.
  - Open to all students.
  - Use current federal student aid eligibility standards.
  - Available only to states that maintain investments in higher education.
  - Allow some usage of funds for program development and related purposes.
Thank You !