

COMMUNITY COLLEGE LEGISLATIVE PRIORITIES

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FY 2016 BUDGET & APPROPRIATIONS

- 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)?

MAINTAIN THE PELL GRANT PROGRAM

- 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.

MAINTAIN THE PELL GRANT PROGRAM

- 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

HIGHER EDUCATION ACT REAUTHORIZATION

- 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”

HIGHER EDUCATION ACT REAUTHORIZATION

- Reinstatement of 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.

HIGHER EDUCATION ACT REAUTHORIZATION

- 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.

AMERICAN OPPORTUNITY TAX CREDIT

- 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.

FEDERAL SUPPORT FOR FREE OR REDUCED CC TUITION

- 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 !

