



AACC Federal Legislative Update

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Overview



- FY 2014 Budget and Appropriations
- White House Higher Education Summit
- Obama College Affordability Proposals Implementation
- Gainful Employment Negotiated Rulemaking
- HEA Reauthorization Hearings
- Affordable Care Act
- Lightning Round

FY 2014 Budget & Appropriations



- House and Senate Budget Committee chairs announced 2-year budget deal December 10; no “Grand Bargain.”
- The Bipartisan Budget Act (BBA) sets overall discretionary spending at \$1.012 trillion for FY 2014.
 - Splits the difference between House and Senate.
- BBA provides \$45 billion in sequester relief (raising appropriations cap) for FY 14 and \$18 billion for FY 15.
 - Split evenly between defense and NDD.
- Cost is offset with \$85 billion in savings and new revenues (user fees) over 10 years, leaving \$22 billion in deficit reduction.

FY 2014 Budget & Appropriations



- Extends sequestration for 2 additional years on nonexempt mandatory programs (beyond 2021).
- House approved BBA on Dec. 12 (332-94).
 - Senate scheduled to vote this week.
- Assuming passage, work resumes on FY 14 appropriations.
 - Senate appropriators have challenge since they spent \$1.058T on FY 14 bills (versus new topline of \$1.012T).
 - House appropriators used \$967 billion as their topline.
 - New allocations may not be distributed proportionately to 12 bills.

FY 2014 Budget & Appropriations



- Appropriators face difficult funding decisions in the Labor-HHS-ED bill but Pell Grant program seems safe.
- Congress likely to consider omnibus funding bill in early January, prior to expiration of the current continuing resolution (CR) on Jan. 15.
- Looking ahead – Nearly flat funding for NDD for next two years.
- Debt ceiling deadline in February or shortly thereafter.
- President's FY 2015 budget possibly in mid-February.

White House “Skills Summit”



- Scheduled for Dec. 11, postponed to January.
- Focused on increasing college success.
- Reflects First Lady’s new interest (recent speech).
- Three primary foci with new themes:
 - Remediation
 - Promoting better college “matches”
 - Enhancing counseling
- Commitments sought from all attendees.

White House “Skills Summit”



- Business, philanthropy, foundations also involved.
 - Approximately 140 attendees invited.
- Strong community college participation.

Obama College Affordability Proposals



- Ratings System.
 - Continues to be refined internally.
 - College scorecard may include new information early in 2014 (earnings).
 - Administration held four regional forums on proposals in November
 - AACC delivered views (on website).
 - RFI published in today's FR to allow others to present views.
- ED RFI (Fed. Reg. 12/6) asking for experimental site suggestions.
 - Dual enrollment, PLA, competency-based programs.
- ED contacting students to ensure they are aware of income-based repayment plans.

Obama College Affordability Proposals



- “Request for Information” for postsecondary institutions rating system (PIRS) published 12/16.
- Broad solicitation for input: data elements, metrics, methods of data collection, weighting or scoring, and presentation frameworks.
- To “assess of institutions and advance institutional accountability while also enhancing consumer useful information”
- Symposium to follow
- AACCC likely to stay on sidelines for now

Gainful Employment “Neg Reg”



- Gainful employment (GE) programs include virtually all certificate programs at CCs eligible for federal Title IV aid.
 - Regulations impact program eligibility, reporting and new GE Title IV program approval.
- Third and final negotiation session held Dec. 13 without consensus.
 - ED has authority to write NPRM under normal process.
- Latest draft much less problematic in terms of program impact.
 - Loan repayment rate and single CDR measure dropped.
- Huge regulatory burden (reporting to ED to generate data on DTE and disclosures) remains.
- CCs well represented by 5 negotiators and/or alternates.
- Neg reg 2014: Title IV Program Integrity and Improvement.

HEA Reauthorization



- House has held 12 context-setting hearings with strong CC representation.
 - November House Pell Grant hearing showed different approaches of Rs (cost, abuse) and Ds (funding).
- Senate hearings also continue.
 - AACCC testified on accreditation Dec. 12th emphasizing benefits of peer review as changes were considered.
- Bills may emerge in 2014 but enactment unlikely.
- AACCC proposals on table but may be modified as debate proceeds.

Affordable Care Act



- House Ed/Workforce hearing Nov. 14, effort to cast harsh light on impact on schools, college employees, etc.
 - Much attention on adjuncts with New Faculty Majority witness.
 - Many questions delved into college economics in re: adjuncts.
 - George Miller (D-CA) announced online adjunct forum.
 - House Republicans followed suit in slightly different forum.
- Treasury clarification beyond 1/2/13 regulation may be forthcoming.
- AACCC has provided formal policy recommendations to IRS followed by less formal advocacy/input.

Lightning Round



- WIA
 - Stakeholders holding meetings to advocate Senate floor consideration early in 2014.
 - Majority leader Reid has filed motion to proceed.
- Immigration
 - Prospects for House consideration of comprehensive bill remain unlikely.
 - Stakeholders continue events to production.
 - AACC cosponsored briefing.
- Veterans
 - Legislation still pending to help out-of-state vets attending public institutions.

Upcoming Events



- National Legislative Summit
 - February 10-13, Washington D.C.
- AACCC Annual Convention
 - April 5-8, Washington D.C.

Thank You and
Happy Holidays!



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