

## Trump Administration Higher Education Policy Agenda

President Trump released his fiscal year (FY) 2020 budget on March 11. The Administration also issued two important sets of higher education proposals. One was an Executive Order focused on “improving free inquiry, transparency, and accountability at colleges and universities.” The other comprised proposals to alter the Higher Education Act (HEA). This flurry of activity came after relatively little overt Trump Administration higher education policymaking in its first two years, other than several regulatory efforts including proposed elimination of the gainful employment regulations and negotiated rulemaking sessions on accreditation, distance learning, and other topics.

Ivanka Trump, adviser to the President, has taken a keen interest in the HEA reauthorization process and is leading a White House HEA policy group. Some of the Administration’s key priorities and proposals for community colleges include:

### **Pell Grants for Short-Term Training**

Without providing detail, the Trump Administration has formally endorsed providing Pell Grant eligibility for short-term programs. In 2018, the Administration endorsed the PROSPER Act’s expansion in this area. AACC strongly supported that portion of the legislation and is pleased to see President Trump supporting this top AACC priority.

### **Innovative Workforce Development Programs**

President Trump’s HEA reauthorization document proposes a pilot program to increase access to market-driven workforce development programs. It appears to allow student financial aid funds to be used by entities other than Title IV-eligible institutions. The U.S. Department of Education (ED) is also attempting to achieve this through the accreditation and innovation negotiated rulemaking process.

### **Financial Aid for Incarcerated Individuals**

The Administration has gone on record supporting “targeted financial aid” to prisoners scheduled for release. The proposal builds on the Second Chance Pell “experimental site” that the current administration inherited from the Obama Administration but has extended for another year. The President’s proposal is a potentially pivotal political development, as it has received bipartisan support, most prominently by Senate Republicans who have endorsed the concept.

### **Data Transparency**

The Executive Order reiterates ED’s plans to expand the College Scorecard to include various new data, the most important of which are earnings data for individual programs. The current College Scorecard only has institutional-level earnings information.

When the gainful employment regulations first went into effect in 2015, programmatic-level earnings data were provided for programs subject to GE regulations. However, the memorandum of understanding between ED and the Social Security Administration that generated the data has lapsed.

The President's Executive Order requires the Department of Treasury to work with ED to provide the needed data. The Executive Order also lists other programmatic level data to be included in the Scorecard, including debt for all types of federal loans, loan repayment and default.

### **Risk-Sharing**

The President has repeatedly and publicly supported some form of loan-based "risk-sharing." The recent Executive Order directs ED to work with the Office of Management and Budget and the Council of Economic Advisers to develop a report "identifying and analyzing policy options for sharing the risk associated with Federal student loan debt among the Federal Government, institutions, and other entities." Irrespective of the details of any forthcoming proposals, specifically associating accountability with risk sharing is disappointing. The Administration's HEA reauthorization document states that it plans to work with Congress on addressing the issue of institutional accountability and financial responsibility concerning student loans.

### **Limiting Student Borrowing**

President Trump would grant institutions greater authority to limit borrowing. The language provided on this topic is somewhat vague, but the Administration appears to support AACC's position that colleges should be allowed to limit borrowing in defined circumstances. This issue is contentious and support from the Administration could help tilt the discussion and eventual legislation in this direction.

### **Consolidated MSI Programs**

The Administration is proposing to consolidate a series of Minority-Serving Institutions programs and distribute funds pursuant to a formula. This consolidation would result in reduced funding for these programs. The Title III-A, Strengthening Institutions program would be eliminated. AACC opposes all these changes. Historically Black Colleges and Universities and their funding would be exempt.

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