Topics

- FY 2020 Funding
- Higher Education Act (HEA) Reauthorization
- DACA
FY 2020 Federal Funding

• Appropriations Process Currently in Stalemate
  • None of 12 appropriations bills enacted
  • Senate process stymied over funding levels, riders
  • House bills written to higher spending levels than eventual deal allowed
  • Funding for border wall a major factor

• Continuing Resolution Expires November 21
  • Another CR is almost certain
  • Next CR may last into Spring 2020
  • Impeachment proceedings could “take air out of the room”

• LHHS – ED Final Allocation Not Yet Determined
  • House bill: $12 billion increase
  • Senate draft bill: essentially level with FY 19
  • Eventual funding level likely to be between the two - but when?
FY 2020 Federal Funding

- Most CC Funding Priorities in Senate Depend on Additional Resources
- Senate Draft Generally Flatlines Education and Training Programs
- Highlights of House-Passed Legislation Include:
  - Strengthening Community College Training Grants (new, $150 M program)
  - Increases to many AACC priority student aid, grant programs
  - $150 Pell Grant maximum increase provided via Pell surplus
    - Senate proposal: $135 (in Republican draft)
Higher Education Act (HEA) Reauthorization Landscape

- No Obvious Path to Enacting Legislation

- College Affordability Act (H.R. 4674) Approved by House Ed & Labor Committee October 31
  - Floor consideration unscheduled
  - Senate will not use House bill as model

- Student Aid Improvement Act (S. 2257) Introduced by HELP Chair Alexander
  - Not a comprehensive reauthorization bill
  - Includes need analysis changes, simplified FAFSA, short-term and second chance Pell
  - Senate Dems do not support, want comprehensive bill
  - House Dems have indicated bill would be DOA in House
College Affordability Act (CAA), H.R. 4674

• Authorizes Significant New Resources for Student Aid and Other Programs
  • Huge bill (1200 pp.)
• Derived from “Aim Higher Act,” Democrats’ 115th Congress Legislation
• Numerous New Reporting, Staffing and Other Institutional Requirements - Along With Resources
• AACC (with ACCT) Letter to Committee Prior to Markup
• AACC Summary of Key Provisions
• AACC HEA Priorities
College Affordability Act (CAA) - Pell Grants

• Pell Grants - General
  • $625 added to maximum grant in AY 2021-22, automatic CPI increases thereafter
  • Lifetime eligibility expanded from 12 to 14 semesters (remedial exempted)
  • ED report on “unusual enrollment history” (Pell runners)

• Pell Eligibility Extended to Short-Term Programs
  • 150 - 599 clock hour programs
  • Most of JOBS Act incorporated
  • Troubling provisions added:
    • Income requirement - above average high school graduate
    • Schools on HCM ineligible
    • Program must be part of career pathway
    • Completion benchmarks borrowed from short-term loans provision
    • Gainful employment applied
College Affordability Act (CAA) - Pell Grants

- Ban on Pell Grants for Incarcerated Individuals Eliminated
  - Direct charges rules create “cliff” between Pell and non-Pell students
  - Several requirements for programs to be offered in prisons
    - Equivalency between prison and non-prison programs
    - Information dissemination to incarcerated students
    - Reporting requirements
    - No adverse accreditation actions
  - ED approval every 5 years

- Postbaccalaureate Students Gain Pell Eligibility
  - Students who received Pell as undergraduates and otherwise qualify may use any time remaining on 14 semester lifetime limit in post-bacc program
  - AACC opposes
    - Supports targeted program for financially needy graduate students
College Affordability Act (CAA) - Data/Accreditation

- No 300% of “Normal Time” Graduation Rate Standard
- Student Unit-Record Data System Created
  - Longstanding AACC priority
  - ED authority to add additional data elements problematic
- Significant Accreditation Changes
  - Working groups to be convened to define key terms
  - Goals required in 3 areas of student achievement
    - Completion, workforce participation, progression
  - ED has authority to require accreditor revision of performance benchmarks
    - AACC opposes - unwarranted and unproductive federal role; back door to ED imposing “bright line” standards
College Affordability Act (CAA) – Campus Programs

• SEOG and FWS Allocation Formulas Improved
  • Shift over time to “fair share” allocation that is based on student need
    • Current allocation favors historical participation
  • FWS performance bonus is problematic
    • Pits community colleges against better-resourced institutions
    • Uses 150% of “normal time” metric

• Child Care Program (CCAMPIS) Enlarged and Modernized
  • $200M authorization quadruples program’s current size
  • Performance bonus and heightened quality requirements are concerning
  • Norcross amendment broadens uses of funds to include expanded services (evening, before and after school, etc.) and services to expectant parents
College Affordability Act (CAA) - Student Eligibility

- Title IV Eligibility for Dreamers/DACA Recipients
- FAFSA Simplified and Needs Analysis Improved
  - Auto-zero EFC for recent recipients of federal means-tested benefit
  - One-time FAFSA
- Two Loan Repayment Plans
  - Fixed plan - length of repayment based on loan principal
  - Income-based repayment - 10% of difference between family income and 250% of poverty line
College Affordability Act (CAA) - Institutional Eligibility

• New Loan Repayment Rate Metric
  • On-time repayment percentage = percentage of borrowers who have been in repayment for 3 years that have made at least 90% of payments on time
  • ED would set threshold rates and time for Title IV eligibility
  • Metric does not apply if institution’s instructional expenses are at least 1/3 of its tuition and fee revenues

• Adjusted Cohort Default Rate Based on Borrowing Level
  • 3, 6 and 8 year rates that multiply defaults by percentage of students that borrowed

• Obama Gainful Employment Regulations Codified
  • Still only applies to non-degree programs at publics and non-profits
  • Altered metrics may include non-completers in debt/earnings calculation, problem for CCs

• Competency-Based Education (CBE) Demonstration
  • CBE on CC campuses well beyond demonstration program phase
  • Unrealistic reporting requirements
  • Narrow conception of CBE
College Affordability Act (CAA) - Grant Programs

• America’s College Promise
  • Provisions similar to past versions (Obama 2015 proposal)
    • First dollar - no community college tuition
    • 3 years of student eligibility (1/2 time or more)
    • Federal grants based on national tuition averages; 1/3 state match
    • State Participation Uncertain

• New Grant Programs
  • Dual enrollment (grant program through states)
  • Emergency student grants
  • Community college student success program
  • Remedial education grants
DACA

• Supreme Court to Hear DACA Case on November 12
  • Decision to come between then and June 30, 2020
• AACC Signed Amicus Brief Supporting Plaintiffs
• Outcome Could Put Issue Back Onto Congressional Agenda
Thank You!
See You at the NLS (Feb 10-12)

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