Federal Legislative Update

AACC Workforce Development Institute

January 24, 2020

David Baime, AACC Senior VP of Government Relations and Policy Analysis
Jim Hermes, AACC Associate VP of Government Relations
Kevin Boys, President, Southern State Community College, OH and Chair, AACC Board Committee on Public Policy and Government Relations
OVERVIEW

- Community Colleges Since 2016 Election
- FY 2021 Funding Outlook
- Higher Education Act (HEA) Reauthorization
- Trump HEA Proposals
- DACA/Dream Act
- WIOA Reauthorization
- Title IX Regulations
- Campaign 2020 and Community Colleges
COMMUNITY COLLEGES SINCE 2016 ELECTION

- Funding: Positive Beyond Expectations
  - Broader political forces created expanded domestic discretionary pie; deficit concerns jettisoned
  - Highlights include Pell Grant maximum (+$425 last three cycles), Perkins Act, adult education, institutional aid, ATE program, new DOL training program

- Active Trump Deregulation Agenda

- Yet More Partisanship – DeVos Reviled by Ds

- Trump DACA Rescission, September 2017

- Larger Public Partisan Split on Value of Higher Education
FY 2021 FUNDING OUTLOOK

- Overall NDD “Pie” Constrained, in Part Due to Big FY 2020 Bump
- Year-Long Funding Bill Before November Election Deemed Unlikely
- Support for Key CC Priorities Remains Strong
  - CC Priorities Include: Pell, FWS, SEOG, TRIO, GEAR UP, Title III-A, HSIs, PBIs, Perkins Act, Adult Education, SCCTG, WIOA, ATE
- Continued Raiding of Pell Surplus of Concern
- ED’s Use of Competitive Preference Points Also of Concern
HIGHER EDUCATION ACT (HEA) REAUTHORIZATION

- **FUTURE Act Enactment Positive But Relatively Limited**
  - HBCU/PBI mandatory funding
  - FAFSA Act – facilitates completion of application through IRS Data Sharing
  - Bipartisan deal emerged somewhat unexpectedly late in 2019

- **Senate Negotiations Continue With Uncertain Prospects**

- **House Bill Cleared By Ed/Labor Committee 10/31 on Party Line Vote**

- **House Bill Probably Headed for Floor Soon; “PAYGO” Offsets Not Determined ($331.9 B Needed)**
HEA REAUTHORIZATION: TOP AACC PRIORITIES

- Strengthen Pell Grant Program with Sustained Maximum Grant Increases
- New Short-Term Pell Grant Eligibility
- “Second Chance” Pell Grant Program
- Create Unit Record Data System (URDS) Accurately Reflecting Community College Outcomes
- Facilitate FAFSA Filing for Low-Income Students
- Reject Risk-Sharing and Other Unworkable Accountability Schemes
- Establish America’s College Promise
H.R. 4674, COLLEGE AFFORDABILITY ACT

- **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)

- **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 embedded in career pathway
    - Gainful employment attaches
H.R. 4674, COLLEGE AFFORDABILITY ACT

- **Postbaccalaureate Students Gain Pell Eligibility**
- **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
  - 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
H.R. 4674, COLLEGE AFFORDABILITY ACT

- **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
H.R. 4674, COLLEGE AFFORDABILITY ACT

- **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 who borrowed

- **Obama Gainful Employment Regulations Codified**

- **Competency-Based Education (CBE) Demonstration**
  - CBE on CC campuses well beyond demonstration program phase
  - Unrealistic reporting requirements
  - Narrow conception of CBE
TRUMP HIGHER EDUCATION AGENDA -- HEA PROPOSALS

- Pell Grants for Short-Term Training
- Innovative Workforce Development Programs
- Financial Aid for Incarcerated Individuals
- Risk Sharing Proposal to be Developed
- Authority to Limit Student Borrowing – AACC Supports But Has Uphill Prospects
- Consolidated MSI Programs
DACA/DREAM ACT

- **No Congressional Action Until Election Seems Likely**
- **DACA Renewals Still Available Due to Court Orders**
- **Supreme Court Ruling Expected Before Session Ends**
  - Negative SC ruling puts issue back on Congressional agenda
  - Course of action depends on particulars of ruling and how issue plays in presidential campaign
WIOA REAUTHORIZATION

- Some Indications Congress will Start Working on WIOA Reauthorization in 2020
- Unclear as to How Much Congress Wants to Modify Existing Law
- WIOA Programs Eclipsed by Apprenticeship During Trump Administration
- CC Priorities Will Focus on Additional Steps to Make Colleges True Partners in System
TITLE IX REGULATIONS

- ED NPRM Issued November 29, 2018 - AACC Filed Comments
- “Live Hearing” (Qs Not of Accuser/Accused) Flashpoint Issue
- Some Aspects of NPRM Limit CC Responsibilities (Definition of Campus, Individuals With Responsibility to Report)
- Final Regulation Likely Soon – Certain to be Controversial and Likely to be Litigated
- HEA Reauthorization Flashpoint
Free Community College Widely Touted by Democrats – With Democratic President, Could Become a Live Legislative Issue in 2021

Devil in Details on CC plans; Potential State Response Unclear

Debt-Forgiveness on Table for Democrats but Proposals Have Regressive Aspects; CC Students Not Heavily Into Loans

AACC Developing CC Platform for Candidates as Previously
STAY ENGAGED WITH AACC!

David Baime: dbaime@aacc.nche.edu
Jim Hermes: jhermes@aacc.nche.edu
www.aacc.nche.edu/advocacy