

## **AACC Higher Education Act (HEA) Reauthorization Priorities**

The American Association of Community Colleges (AACC) has a broad HEA reauthorization agenda. A short version of AACC's top priorities follows. Community college students and CEOs urge Congress and the president to enact comprehensive HEA reauthorization legislation during the 116th Congress. Reauthorization is now six years overdue, negatively impacting students and other stakeholders.

AACC's related agenda for the next administration can be found at: [https://www.aacc.nche.edu/wp-content/uploads/2020/02/AACC\\_Presidential\\_Campaign\\_Proposals\\_Final2020.pdf](https://www.aacc.nche.edu/wp-content/uploads/2020/02/AACC_Presidential_Campaign_Proposals_Final2020.pdf)

### **Strengthen the Pell Grant Program with Sustained Increases in the Maximum Grant**

The Federal Pell Grant program is the foundation of student access and success at community colleges and assists almost 2.2 million of these students each year. Despite relatively low community college tuition and fees (average, \$3,730, fall 2019), the Pell Grant maximum must consistently increase to cover these expenses as well as books, transportation, food, housing, and childcare. The reauthorized HEA must guarantee annual increases in the grant, preferably through mandatory funding. An initial boost in the maximum grant would also enhance the success of low-income students.

### **Create New Opportunities for Students Enrolled in Short-Term Programs**

Federal policy needs to keep pace with the growing need for student access to high-quality, short-term workforce programs keyed to labor market demands. AACC strongly supports providing Pell Grant eligibility to students enrolled in programs that are at least 150 hours in length but less than 600 hours, the current minimum threshold. Programs should demonstrate workforce relevance and provide career pathways, but unnecessary roadblocks must be avoided. AACC endorses the JOBS Act (S. 839, H.R. 3497) introduced in the Senate by Sens. Portman (R-OH) and Kaine (D-VA), and in the House by Rep. Cedric Richmond (D-LA).

### **Provide Second Chance Opportunities Through the Pell Grant Program**

Community colleges urge the re-establishment of Pell Grant eligibility for certain incarcerated individuals. This common-sense policy will improve employment prospects for those transitioning to civil society upon release. Data overwhelmingly confirm that higher education for incarcerated individuals reduces recidivism and is a cost-effective investment. Prison education programs contracted sharply after the 1994 elimination of Pell Grants for incarcerated individuals. A reinstatement of Pell Grant eligibility to this population has bipartisan support and would enable thousands of people to better integrate themselves once they have paid their debt to society.

### **Support a Federal-State Effort to Limit or Eliminate Community College Tuition/Reject Risk-Sharing**

AACC strongly supports a federal investment to incentivize states to maintain and enhance current funding for public postsecondary education and eliminate community college tuition. All evidence suggests that a bold federal effort in this area would create greater postsecondary access and success. Universal postsecondary education remains a worthwhile and attainable goal.

Also, in recent years, proposals have been advanced to financially penalize institutions that fail to meet certain federal standards concerning loan defaults, loan repayment rates, or student withdrawals. All these “risk-sharing” proposals would reduce resources for those colleges least able to bear such reductions, disproportionately impacting those enrolling the most at-risk students. Risk-sharing ignores the substantial financial contributions of state and local governments, which provide 51% of the average community college’s funding. That funding is increasingly tied to institutional performance.

### **Focus Loan Policies on Students Who Need Help the Most**

In simplifying loan repayment options, Congress needs to focus on low-balance, low-income borrowers who continue to have the highest default rates. Congress also needs to examine the subsidies provided through income-dependent repayment options to ensure that they are effectively targeted.

Also, institutions should have greater authority to reduce maximum loan amounts in specified circumstances. These include when students enroll less-than-full-time (thus paralleling the Pell Grant program), take shorter length programs or programs in which earnings are relatively low, already carry significant debt, or need substantial academic preparation to enroll in credit-bearing programs. In all these circumstances, colleges should be required to establish written policies, and allow students adversely impacted to appeal any institution-wide policy that negatively impacts them.

### **Establish a Unit Record Data System That Accurately Reflects Community College Student Outcomes**

Community colleges strongly support establishment of a postsecondary unit record data system (URDS) anchored with strong privacy protections, as in the College Transparency Act. This system would provide comprehensive information on the performance of higher education institutions that is currently unavailable, benefiting students and institutional leaders while enhancing accountability. The URDS would reduce college administrative costs by eliminating the need for collecting similar data. The system should be linked to the IRS to generate earnings data to display the economic benefit of postsecondary programs to prospective students.

In addition, the completion rates generated by the unit record data system should be structured to report the completion rate of community college students within 300% of the “regular time” to completion. This is the standard used by AACCC’s Voluntary Framework of Accountability and better reflects community college student performance than current reporting metrics. This policy is embodied in S. 3115 and H.R. 3354, both of which AACCC strongly supports.

### **Facilitate FAFSA Filing for Low-Income Students**

The Free Application for Federal Student Aid (FAFSA) needs to be streamlined along with the need for verification. Changes to the FAFSA should emphasize the financial, family, and related circumstances of low-income students. The application process should be modified so that students need only file a single FAFSA, subject to confirmation of basic financial and family data in subsequent award years.

For more information, contact David Baime, senior vice president for government relations and policy analysis, [dbaime@aacc.nche.edu](mailto:dbaime@aacc.nche.edu), or Jim Hermes, associate vice president for government relations, [jhermes@aacc.nche.edu](mailto:jhermes@aacc.nche.edu)