BEYOND PANDEMIC RELIEF: COMMUNITY COLLEGE LEGISLATIVE PRIORITIES

JUNE 8, 2021

DAVID BAIME, SENIOR VP GOVT. RELATIONS & POLICY ANALYSIS
JIM HERMES, ASSOCIATE VP FOR GOVT. RELATIONS
WEBINAR TOPICS

- Biden Agenda – American Jobs Plan, American Families Plan
- Biden FY 2022 Budget
- Biden Agenda/Budget Reconciliation
- America’s College Promise
- Community College Workforce Training Proposals
- Short-Term Pell Grant
- Community College Infrastructure
WEBINAR TOPICS

- FY 2022 Appropriations
- Tax Legislation
- Title IX Regulatory Review
- Title IV Rulemaking
- CARES, CRRSAA, and ARP (HEERF) Implementation
- Member Advocacy
BIDEN AGENDA

- President Biden Has Proposed Huge Domestic Investments in American Jobs Plan and American Families Plan
  - $3.6 trillion overall
- Legislation Incorporates Classic Infrastructure Investments but Goes Well Beyond That
  - Debate over meaning of “infrastructure”
- Most of the Proposals Sketchy in Detail
  - Plans’ details on AACC website
- Efforts Being Made at Bi-Partisan Infrastructure Package; Parties Still Far Apart
Biden FY 2022 Budget Integrates Jobs and Families Plans

- Some pieces are traditional line-item appropriations funding requests; others reflect large, “mandatory” expenditures

Most Discretionary Increases Outside of “Plans” More Restrained Than Expected
Pell Grant Maximum Would Increase by $1,875 as Part of Doubling Strategy
- $400 funded via discretionary stream, rest mandatory funding

Institutional Aid (HSI, Title III-A, PBI, ANAPISI) Receive Boosts

Federal Work-Study and Supplemental Educational Opportunity Grants (SEOG) Are Level-Funded

Small Increases for Perkins Basic State Grants and Adult Education Act
Regardless of Outcome on Narrower Infrastructure Package, Democrats’ Use of “Reconciliation” Later This Year Seems Likely

Reconciliation (Process Used to Pass American Rescue Plan) Requires Only Majority – Controlled by Democrats

Still, Not All Biden Priorities Seem Possible to Fit in Reconciliation Package

Tax Revenues Proposed to Partially Cover Cost of Plan
Two Free Years of Community College Formally Proposed in American Families Plan – Few Details

House and Senate Democrats (Rep. Levin [D-MI], Sen. Baldwin [D-WI]) Have Introduced Identical Bills, “America’s College Promise Act,” Drawing on Previous Legislation

Program Cost of $109 Billion Over Ten Years: ~1/3 of Current Cost of Pell Grant Program

Proposals Include State Success Grants
Federal-State Partnership
- Feds pay ¾ cost of average annual CC tuition
- States pay ¼ of average in-state tuition

State Match Can Include CC Student Aid

States Ensure that CC Tuition and Fees Are Waived for Eligible Students (Generally, 3 years of CC)

Dreamers Eligible

State-Wide Articulation; K-12/CC Integration; Attainment Plans Required
Biden Budget Requests $9 Billion for Community College Job Training Partnerships
- Part of larger $48 billion investment in training capacity
- Current DOL Training and Employment Services funding is $3.6 billion
- Budget not explicit as to vehicle

AACC Strongly Supports Investment
- Open to TAACCCT or new program
- SCCTG remains option

Reconciliation Dynamics May Influence Specific Outcome
- Process favors using existing authorizations, e.g., TAACCCT
COMMUNITY COLLEGE WORKFORCE TRAINING PROPOSALS

- AACC Supports DOL and ED Innovation Funds and New Apprenticeship Investments
- Infrastructure Investments May Envision CC Role
- WIOA Reauthorization and Apprenticeship Legislation Looming
  - One or more may be combined into larger legislation
  - House passed apprenticeship bill earlier this year
  - Unclear how comprehensive WIOA reauthorization might be
Biden American Jobs Plan Proposes $12 Billion for CC Infrastructure; Few Details Provided

AACC Strongly Supports Proposal

Sector’s Aggregate Need for Renovation and Upgrade Estimated at $60 Billion

Direct Grants Envisioned, Possibly through States

Diversity in Awards Desired, Including Smaller Colleges
FY 2022 APPROPRIATIONS PROCESS

- No “Caps” – Funding Levels for 12 Appropriations Subcommittees Will be Set by Political Process
  - McConnell has sway over Democrats’ spending ambitions
- House Likely to Move Bills in June or July – “Regular Order”
- House Appropriations Committee Chair DeLauro (D-CT) Is Big CC Supporter
- Reinstatement of Earmarks May Grease Process
FY 2022 APPROPRIATIONS – AACC PRIORITIES

- Doubling Pell Grant Maximum
  - $400 proposed by Biden through regular appropriations process
- Carl D. Perkins Act and Adult Education Act
- Title III-A of the HEA and Other Institutional Aid Programs
  - Biden budget would nearly double Title III-A SIP program
- Strengthening Community College Training Grants
  - AACC seeks $125 million (up from $45 million)
SHORT-TERM PELL GRANT

- JOBS Act (S. 864) in Modified Form Included in Blocked Managers Amendment to S. 1260 “Endless Frontier Act”
- Legislation to be Acted on June 8, Hopefully Will Pass Senate and Then Move to House
  - House has no counterpart
- Bill Negotiated with Senate HELP Committee; Further Eligibility Criteria Added
- House Will Likely Want to Make Further Changes
SHORT-TERM PELL GRANT

- Senate Amendment – Changes to JOBS Act
  - 100% online courses generally not eligible
  - Program must yield 20% wage gain for program completers
  - Additional disclosures (paralleling “Second Chance Pell” requirements)
  - Program must be in existence one year
  - Formalization of “stackable” requirement
Increased Revenues Integral to Biden Proposals
- Tax writers are charged with raising significant revenue

Bipartisanship Sought

AACC Is Pursuing Focused Agenda:
- Make Pell Grants tax-free
- Increase American Opportunity Tax Credit (AOTC) eligibility
- Add computer, dependent care to AOTC and Lifetime Learning Credit (LLC) eligibility
- Expending LLC to better serve community college students
ED Formally Announced Intention to Review Title IX Regulations
8/14/20 Trump Administration Regulations Apply Currently
AACC to Provide Formal Input to ED at Public Hearing June 10

AACC Themes:
- Creating a harassment- and discrimination-free community for all is top priority; all must feel comfortable participating in all activities
- Potential victims of violations must feel safe to report incidents
Community Colleges Have Unique Features:
- Few residence halls
- Older students
- Deep community ties

Title IX Administrative Expenses Have Been Substantial and Each Change Requires Significant New Expenditures – Stability Is Essential

Campus Disciplinary Procedures Would Ideally Mesh with Federal Policy
ED Announced Public Hearings for June 21, 23 and 24

Soliciting Feedback on Expansive List of Potential Issues

Announcement Highlights Issues Related To:

- Protecting students and taxpayers, such as gainful employment, borrower defense, and targeted loan cancellation
- Addressing gaps in postsecondary outcomes, such as retention, completion, student loan repayment and default

Gainful Employment High on AACC Concerns – ED Extremely Likely to Move Forward in This Area

List of Potential Topics Includes Second Chance Pell and Ability-to-Benefit
FAFSA Act and FAFSA Simplification Legislation Due to Be Implemented July 2023

Revised Application Form Due by October 2022
CARES, CRRSAA, AND ARP (HEERF) IMPLEMENTATION

- Colleges’ Implementation Proceeds
- Colleges Continue to Have Questions About Permissible Uses of Funds
- Colleges Have 90 Days After Notification to Spend Some Student AND Institutional Funds
- One Year No-Cost Extension Is Looming Option for Many Institutions, While Speedily Spending $ Is ED/Congressional Priority
CARES, CRRSAAA, AND ARP (HEERF) IMPLEMENTATION

- More Money Unlikely
- Please Contact AACC with Questions
QUESTIONS
AACC INFORMATION

- AACC:  https://www.aacc.nche.edu/
- AACC Advocacy:  https://www.aacc.nche.edu/advocacy/

- David Baime, dbaime@aacc.nche.edu
- Jim Hermes, jhermes@aacc.nche.edu