



## **Improve Higher Education Policy to Foster Community College Student Success**

Community colleges have provided access to an affordable, high-quality postsecondary education for millions of students across the country. Despite rising costs across the higher education sector, a community college education remains an extraordinary bargain. At a time of widespread consternation about college costs and student debt, community college tuition has increased just \$250 in real terms over the last ten years, with average annual tuition and fees at just \$3,800. As open-access institutions, community colleges continue to play a critical role in expanding higher education access for students and strengthening our nation's talent pipeline.

To better support our colleges and our students, community colleges support the following changes to the Higher Education Act (HEA) programs, as part of a comprehensive reauthorization bill or other vehicle.

### **Strengthen the Federal Pell Grant Program**

The Pell Grant program is the cornerstone of the nation's financial aid system. Almost one out of every three community college credit students receives a Pell Grant. Unfortunately, investment in the program has failed to keep pace with rising costs, particularly non-tuition costs. Congress should restore the Pell Grant's purchasing power by doubling the maximum award amount and then indexing the award to inflation, to put the program on firm financial footing. (AACC's workforce policy agenda addresses short-term Pell Grant programs).

### **Facilitate the Unique Needs of Community College Borrowers and Improve the Loan System**

Because community college tuition is so low, only about 15% of all students borrow. However, community college students often face significant barriers on their path to a degree, making default likelier than for other types of students. While some extremely positive changes to the student loan programs have been made administratively, the HEA is the optimal vehicle for establishing permanent policies. Taken together, these measures would dramatically strengthen the student loan system and enhance repayment:

- Capping total interest paid at the amount that would be paid under the ten-year standard repayment plan;
- Linking the maximum repayment period to the amount of debt undertaken—a student who borrows less would have a shorter repayment length;
- Providing comprehensive information about average program debt and average program earnings to promote necessary transparency and responsible borrowing);
- Giving institutions authority to lower loan maximums in defined circumstances;



## **Improve Higher Education with Better Measurement Tools and Develop More Accurate Community College Outcomes Measurements**

The nation's 21<sup>st</sup> century higher education system is burdened by incomplete, antiquated data frameworks and is in critical need of updating. Congress should mandate creation of a federal student-level data system, as in the bipartisan College Transparency Act (CTA). This would streamline institutional reporting requirements, deliver more accurate and complete data on institutional outcomes, enable colleges to better assess the economic benefits of their programs, and better empower students and families to select a college and program that best their needs and goals.

The HEA should also require more representative institutional completion rates. The HEA currently requires the Department of Education to report institutions' graduation rates for full-time, first-time students. This metric influences public perceptions and frames students' college choices. However, the law excludes millions of community college students. Congress should establish more accurate measures of community college success by requiring ED to generate and report unified metrics that count all community college students who complete programs or transfer to other colleges within six years.

## **Restructure Campus-Based Aid to Better Serve Community College Students**

Federal campus-based aid programs are a critical resource for low- and moderate-income students, but the allocation formulas disadvantage institutions that serve large shares of these students, including community colleges. Congress should reform the allocation formulas for the Federal Supplemental Educational Opportunity Grant (FSEOG) and Federal Work Study (FWS) programs to distribute funds based on student need and family finances.

## **Refine and Expand Child Care Support**

The Child Care Access Means Parents in School (CCAMPIS) program provides extremely valuable support for childcare programs but needs refinements to realize its full potential. Currently, awards are keyed to an institution's total Pell Grant funds. While this focuses resources on institutions serving low- and moderate-income students, it often means that community colleges do not receive award amounts large enough to create and sustain high-quality childcare centers. The program should emphasize campus needs and the cost of providing robust programs.

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