



CATCHING UP
WITH CAPITOL
HILL: LAME
DUCK EDITION

NOVEMBER 16,
2022

TOPICS

- 117th Congress Highlights
- Political Landscape /Elections
- Lame Duck Session Priorities
- 118th Congress
- Regulatory Highlights
- Status or Student Debt Relief

HIGHLIGHTS FROM THE 117TH CONGRESS

- Wins For Community Colleges In The FY22 Spending Package
 - Historic \$400 increase to the maximum Pell Grant
 - New competitive grant programs – Basic Needs Grants and Postsecondary Student Success Grants
 - \$95 million in community project funding (formerly earmarks)
- *Creating Helpful Incentives to Produce Semiconductors (CHIPS) and Science Act*
 - Reauthorizes the NSF’s Advanced Technological Education (ATE) program
 - Additional funding for the Regional Innovation Engines and Future of Semiconductors initiatives
- *Bipartisan Infrastructure Law* Partnership Opportunities
- Increased Momentum For Key Community College Issues
 - The *JOBS Act* and *College Transparency Act* passed the House
 - Key community college priorities included in marker bills

ELECTION OUTCOME; CONGRESSIONAL/POLITICAL DYNAMICS IN 2023

- In House, More Extreme Members From Both Parties
- Most Conservative House Rs May Have Extra Influence
- Legislative Enactments May Be Scarce
- Debt Ceiling/Appropriations Process Enables “Train Wreck” Strategy
- Dynamics Remain Unusually Uncertain, But Always So At Start Of Congress
- Presidential Politics Will Hang Over Everything

EXIT POLLING OF NOTE

- Youth Turn-out Was High -- Possible Loan Cancellation Effect?
- Democrats Won 63% Of Voters Aged 18-29
- Democrats Won 53% Of Congressional Vote For Those With College Degree; Republicans Won 55% Of Those Without A College Degree
- 66% Of White Voters Without A College Degree Voted Republican, While 68% Of Voters Of Color Without A College Degree Voted Democratic
- Latino Vote 60% For Democrats, Overall Erosion Of Support Continues
 - [Above votes self-reported for congressional contests]

SENATE COMMITTEES, TOP-LINE

- Key Senate Retirements: Rob Portman (R-OR), Richard Burr (R-NC)
- Bernie Sanders (I-VT) in Line to Lead HELP
- Ranking Member Could be Rand Paul (R-KY)
- Neither Have Been Much Animated by HE Policy Nor Engaged in Committee Action
- Robert Casey (D-PA) and Bill Cassidy (R-LA) Next in Line
 - More moderate in politics and more oriented to bipartisanship
- Patty Murray, “Double-Threat” (HELP chair, Labor-HHS-ED sub. chair)
Giving up HELP Gavel to Lead Appropriations

HOUSE COMMITTEES, TOP-LINE

- Dr. Virginia Foxx (R-NC) Likely to Chair (renamed) Education and Workforce Committee IF she gets a waiver to lead panel
 - Foxx focused on HE
 - If not, Tim Walberg (R-MI) in line to chair
 - Little record in higher education
- Rep. Bobby Scott (D-VA) Will Remain Top Democrat
 - Offered HEA legislation – LOAN Act
- Tom Cole (R-OK) to Chair Rules
- Rosa DeLauro (D-CT) to Remain Top Appropriations Democrat

LAME DUCK SESSION

➤ FY 2023 Appropriations

- Congress has not passed any of the 12 appropriations bills
- Government operating under “continuing resolution” through Dec. 16
 - Another CR will probably be needed
- Omnibus bill desired and likely outcome
 - Party leaders must first agree on “top line” funding levels
 - Only omnibus, as opposed to year-round CR, can provide for funding increases and community projects (i.e., earmarks)
 - Election outcome may play a role
- Programmatic funding levels likely to be lower than those contained in Democratic bills
 - Pell max increase (\$500) may be an exception – funded through “surplus”
 - AACC particularly focused on SCCTG, Title III-A, CCAMPIS, etc.

LAME DUCK SESSION (CONT'D)

- Tax-Free Pell Grant Legislation (S. 2455, H.R. 4173)
 - Legislation makes Pell Grants entirely non-taxable and eliminates “Pell offset” that prevents CC students from fully benefitting from AOTC
 - Congress likely to consider a year-round tax bill – goal is to include tax-free Pell in this package
- Short-Term Pell
 - Senate champions looking to attach JOBS amendment to must-pass vehicle (omnibus, NDAA)
 - Significant political obstacles remain
 - Partisan disagreement on for-profit eligibility chief among them
 - Likelihood slim of passing in lame duck

LAME DUCK SESSION (CONT'D)

➤ Dream Act

- DACA court decisions and possible Republican takeover of House leading to renewed advocacy efforts to pass compromise immigration legislation to protect Dreamers
 - Bill would need to have a border security component to attract Republican support
 - Any action on Dream seen as unlikely in 118th Congress

FOXX PRIORITIES—REAL REFORM ACT, ETC.

- Workforce Pell
 - 70/70 completion/placement standard
 - Wage progression exceeding cost of program [see AACC analysis]
 - Staff appear open to changes
- Reining in Executive Branch Flexibility on Loans
- Capping Graduate and Professional Student Borrowing
 - 48% of new loans; higher % of projected forgiveness
- Eliminating PSLF
- Oversight – Could include HEERF

AACC AGENDA – 118TH CONGRESS

- Legislative Agenda Approved by Board Released Early Next Year
 - Tax-Free Pell Grant/AOTC (if not done this year)
 - Conceivably a rare bipartisan issue
 - Vehicle always a challenge
 - Appropriations
 - House bills will look much different
 - Fate of earmarks an open question
 - HEA reauthorization (House)
 - Foxx, if made chair of Education committee, will endeavor to move a bill forward (see Real Reform bill)
 - Passage of comprehensive bill seen as unlikely

AACC AGENDA – 118TH CONGRESS (CONT'D)

- WIOA reauthorization (House)
 - Prognosis for WIOA bill probably similar to HEA, though possibly more likely for bipartisan compromise
- Apprenticeship
 - IRAPs remain a major sticking point between the parties
- Farm Bill (SNAP, institutional aid)
 - More likely to move than other legislation
 - Opportunity to increase support for students' basic needs

REGULATORY HIGHLIGHTS

➤ Prison Education Programs

- Final regulations released late October
- ED's changes to state oversight entity role (corrections agencies) reflect AACC's written comments on the NPRM

➤ Title IX

- AACC filed comments on the NPRM in September
- Proposed regulations offer institutions more flexibility in addressing cases but overall campus responsibilities are much more extensive than current regulations
- AACC urged greater clarity on use of grievance procedures and ample time for institutions to implement changes

➤ Gainful Employment/Ability to Benefit/Administrative Capability

- NPRMs expected April 2023

STUDENT DEBT RELIEF PLAN

- \$20,000 in student debt relief to borrowers who received Pell Grants and \$10,000 for all other borrowers
 - The benefit is only available to borrowers earning less than \$125,000 a year (\$250,000 for married couples)
- Borrowers were encouraged to apply this fall to see relief before the end of the repayment pause (December 31, 2022), but borrowers would have a full year to apply
- More than 26 million borrowers have applied for relief through ED's application form
- According to the Congressional Budget Office, the plan will cost about \$400B over the next 30 years

STUDENT DEBT RELIEF – WHERE THINGS STAND

- On Monday, the 8th U.S. Circuit Court of Appeals blocked the program from going into effect
 - Extends a previous temporary hold until the issue is resolved in court
 - Decision asserts that six Republican-led states have standing to bring a challenge
- Last Thursday, a U.S. District Court judge ruled that the program usurped Congressional authority
 - Decision challenges the Biden administration’s legal authority under the HEROES Act
- The Biden administration says they will appeal both decisions
- Currently, ED no longer accepting applications for relief
- Reports indicate Biden considering extending repayment pause

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