AGENDA

➢ Legislative Updates
  ➢ FY 2024 Appropriations
  ➢ Workforce Pell
  ➢ Farm Bill
  ➢ Tax-Free Pell Grant

➢ Regulatory Updates
  ➢ Return to loan repayment
  ➢ FAFSA simplification / needs analysis
  ➢ Status update on GE, Title IX, etc.

➢ Supreme Court Affirmative Action Ruling

➢ August Advocacy Agenda
FY 2024 APPROPRIATIONS - OVERVIEW

- Both the House and Senate have put forth Labor, Health and Human Services, and Education (LHHS-ED) funding bills
  - Senate appropriators approved bill on a bipartisan basis last week
  - House appropriators could not hold full committee markup on their bill before August recess

- Spending caps established as part of debt ceiling bill have led to substantial funding cuts in both bills
  - Total funding in the Senate LHHS-ED bill is $1.2 billion less than FY23 but more generous to community college priorities than the House
  - House cut LHHS-ED funding by 30%, including to many key education and job training programs
## FY 2024 Appropriations – By Program

<table>
<thead>
<tr>
<th>Program</th>
<th>Senate Bill</th>
<th>House Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pell Grant maximum</td>
<td>$250 increase to maximum award</td>
<td>No increase to maximum award</td>
</tr>
<tr>
<td>Strengthening Community College Training Grants</td>
<td>$10 million decrease</td>
<td>Level funded at $65 million</td>
</tr>
<tr>
<td>Strengthening Institutions Program</td>
<td>$10 million decrease</td>
<td>Level funded</td>
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<tr>
<td>CCAMPIS</td>
<td>$5 million increase</td>
<td>Eliminated</td>
</tr>
<tr>
<td>WIOA Adult, Dislocated Worker, and Youth programs</td>
<td>Level funded</td>
<td>Eliminated youth funding stream; substantial decrease for adult training program</td>
</tr>
<tr>
<td>Federal Work-Study and Supplemental Education Opportunity Grants</td>
<td>$10 million cut</td>
<td>Eliminated</td>
</tr>
<tr>
<td>Apprenticeship grants</td>
<td>$5 million increase</td>
<td>Level funded</td>
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FY 2024 APPROPRIATIONS – WHAT’S NEXT

➢ Path forward for enactment of LHHS-ED and other funding bills is cloudy
  ➢ Considerable differences between House and Senate appropriations bills will make negotiations difficult
  ➢ A continuing resolution (CR) will likely be necessary to keep the government open past the fiscal year that starts on October 1, but even this may be a challenge to pass
  ➢ Lawmakers have strong incentive to pass all bills by the end of the 2023, otherwise there will be a 1% across-the-board reduction to ALL programs, including defense
WORKFORCE PELL GRANTS

- Strong Member appetite to pass legislation, some optimism that enactment can be achieved by the end of this Congress
  - Behind the scenes bipartisan negotiations taking place in House
  - JOBS Act, original bipartisan workforce Pell legislation, was scheduled for a markup in the Senate July 27 but was postponed

- Inclusion of for-profit institutions will likely be a sticking point for Senate Democrats
FARM BILL

- Current bill expires in September, but will likely need to be extended through a continuing resolution as policymakers work on comprehensive reauthorization.

- AACC priorities include enacting the Community College Agriculture Advancement Act, which authorizes capacity-building grants for community college agriculture, agrobusiness, and renewable resources program.
  - Legislation is bipartisan and bicameral.

- Advocating for changes to SNAP eligibility to improve food security and benefit uptake among community college students.
TAX – FREE PELL GRANT ACT

- H.R. 3000, bipartisan legislation introduced in House
- Senate Finance members intend to introduce bipartisan companion in early September (Whitehouse, Grassley)
- Bill makes Pell Grant entirely non-taxable, saving community college students tax payments for funds used for books, transportation, and living expenses
- Bill also gives CC Pell Grant recipients access to $2,500 American Opportunity Tax Credit
- Co-sponsors needed – especially Republicans
RETURN TO REPAYMENT

- Student loan payment pause ends this fall
  - Interest will begin to accrue in September
  - Payments will be due starting in October

- Following SCOTUS decision on Biden debt cancellation plan, ED instituted a 12-month “on-ramp” period
  - Borrowers will not be reported to credit bureaus, considered to be in default, or referred to collection agencies during this time
  - Interest will not capitalize at the end of the on-ramp period
RETURN TO REPAYMENT (CONTINUED)

- Students will be able to enroll in the new income-driven repayment plan, Saving on a Valuable Education (SAVE), before payments restart
  - The regulations don’t fully take effect until July 2024
- ED calls SAVE “the most affordable repayment plan ever”
  - Payments on undergraduate loans will be cut in half, from 10% to 5% of a borrower’s discretionary income
  - Those who borrowed $12,000 or less will receive forgiveness after 10 years in repayment
  - Most community college students don’t borrow for college (~15%) but those who do will have a new layer to help protect them from defaulting
FAFSA SIMPLIFICATION

- ED is required to fully implement the FAFSA Simplification Act by the end of 2023
  - This includes the release of the new FAFSA form for the 2024-25 academic year, which is delayed until December
- The federal needs analysis calculation will undergo significant changes and will now be called the Student Aid Index (previously Expected Family Contribution)
  - Many community college students will receive larger Pell Grants and more students will become Pell-eligible
  - However, because certain questions were eliminated (including whether a family has more than one child enrolled in college or if a family has a small business or farm to exclude from their assets), some students will receive less financial aid
REGULATORY UPDATES

- Final Institutional and Programmatic Eligibility rule, including gainful employment regulations, expected by November 1 for July 2024 effective date.

- Final Title IX rule scheduled for October.
  - ED says colleges will have more time to implement rule than in the last Title IX regulations.

- Proposed regulations expected in August on “white-collar” exemptions to parts of the Fair Labor Standards Act.
  - DOL is expected to propose an increase to the salary level requirement that exempts executive, administrative, and professional employees from FLSA’s minimum wage and overtime requirements.
SCOTUS AFFIRMATIVE ACTION DECISION

- SCOTUS ruling, on its face, applies only to admissions
  - Immediate impact is on relatively small number of selective institutions that use race as a factor in admissions

- Questions over “secondary impacts”
  - Though not directly implicated by decision, programs targeted to particular racial and ethnic groups may come under scrutiny

- Biden administration guidance coming this month
  - Administration quick to stress that decision only applies to admissions
AUGUST ADVOCACY AGENDA

- FY 2024 Appropriations
  - SCCTG – House level
  - Title III-A, Strengthening Institutions – Senate level
  - CCAMPIS — Senate level
- Tax-Free Pell Grant Legislation
  - Secure co-sponsors
  - Senate Finance Republicans especially important
- Workforce Pell Grant -- Ongoing Advocacy Needed
REGISTRATION IS OPEN!

ADVOCATES IN ACTION
RETURNS
SEPT. 18-19!
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