



# Community College Federal Priorities

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**Association of Community College Trustees**

# 111<sup>th</sup> Congress, Second Session

- Higher Education Goals
- H.R. 3221 and American Graduation Initiative
- Community Colleges and Stimulus
- FY2011 Appropriations
- Workforce Investment Act
- DREAM Act

# Obama Administration and Higher Education

- Each American should obtain at least one year of postsecondary education
- America to regain world lead in higher education attainment by 2020
- CCs to graduate 5 million more students (degrees, certificates, transfers) by 2020
- Congress uses budget reconciliation process to get around Senate filibuster for education reconciliation

# H.R. 3221

- Passed House 9/17/09 253-171
- Mandates 100% Direct Loan participation by July 1, 2010 (saves \$87 Billion over 10 years)
- Increases Pell Grant maximum by CPI + 1% through 2019 (variant of Obama proposal)
- Simplifies FAFSA and revises needs analysis
- Creates \$3.0 Billion, 5-Year, State-Based Access and Completion Fund
- Funds HBCUs and HSIs
- \$10 Billion Early Learning Program
- \$5 Billion K-12 modernization

## **H.R. 3221, Section 503 Grants for CC Reform**

- Funding: \$630 million/year for 4 years
- Allows CCs (and some 4-year colleges), Area Career and Technical Schools, and States (no more than 50%) to compete for 4-year grants
- Minimum grant \$750,000 over 4 years
- 1:1 match; Cash, in-kind contributions or other Including state and local funds— hardship waiver
- Joint ED/DOL administration

## **H.R. 3221, Section 503 Grants for CC Reform**

- 3 Grant Priorities: Serving nontraditional students; Title III/V-eligible; Partnerships with business, labor, philanthropy; High unemployment areas
- Grantees shall use funds to carry out policies and programs focused on a number activities. Colleges must establish annual and report quantifiable benchmarks in 11 Areas (where applicable)
- Grants can be withdrawn after 3 years if “Demonstrable Progress” not met
- Onerous transfer reporting requirement

# H.R. 3221, Sec. 504 Grants

- \$630 million annual funding
- Years 5 to 10 of AGI—six-year grants to states to “Systematically Reform” community college systems
- 1:1 Match
- “Supplement, Not Supplant” and maintenance of effort provision
- State policies to be derived from federal study of Sec. 503 Grants

# H.R. 3221, Sec. 504 Grants

- State must meet same benchmarks as in Sec. 503 Grants; Annual reporting
- Grants can be withdrawn after 3 years if demonstrable progress not made
- States must pass through 90% of funds to CCs

# H.R. 3221, CC Facilities (Sec. 351)

- \$2.5 billion in FY 2010 (available until spent)
- States receive funds on basis of relative CC enrollments; broad latitude on allocation to CCs
- Funds to reduce CC financing costs, capitalize revolving fund, provide matching funds for capital campaigns
- New construction, modernization, renovation and repair, but NO maintenance costs
- 3:1 match required
- 50% of campus assistance must be used for projects meeting green standards

# H.R. 3221 “National Activities”

- \$50 million in grants over 10 years to develop open, online courses for training, high school, and college courses
- \$50 million over 4 years for
  - (1) “Learn and Earn Research Center” to develop metrics to measure CC effectiveness
  - (2) Fund development of “Interoperable” state data systems

# Senate Bill

- Not released — but may look like this
  - \$2.5 billion for CC modernization for FY2011
  - One tiered grant program, will include States, CCs, Area and Technical Schools and some 4yr Colleges
  - Funding levels?
  - One year planning grants to help colleges apply
  - Benchmarks
  - Maybe more workforce training focused

# Where Are We Now?

- Health care debate continues to cloud education reconciliation
- Budget resolution calls for education and health care reconciliation to go together
- As time slips by, Congress will need to rescore the bill which may (will) diminish the savings
- Estimated Pell Grant shortfall of \$18 billion looms over the program

# Jobs For Main Street

- House Passed H.R. 2847 in December
- Funded at \$75 billion, \$23 billion for an Education Jobs Fund to help States support education jobs over the next two years
- 95% of the funds will be allocated by States to school districts and public institutions of higher education
- 5% of funds are reserved for State education-related jobs and administration of the Education Jobs Fund
- Funds tied to jobs
- Competitive workforce grant opportunities for CCs

# Second Stimulus?

- Unclear how Senate proceeds with Jobs for Main Street
- CCs pushing H.R. 4196, Community College Emergency Stabilization Act
- H.R. 4196 provides \$700 million for CCs, \$50 million for technical schools
- Formula to states and competitive to colleges/districts

# 2011 Appropriations Process

- Large budget deficit looming
- Administration and Congress committed to decreasing discretionary funding
- Pell Grant shortfall the biggest discretionary unknown
- Higher education programs largely safe, for now

# Workforce Investment Act

- WIA technically expired in 2004
- Reauthorization hoped for in 2010....2011
- Status quo bill or major rewrite?
- Community college priorities –
  - Direct assistance to community colleges via contracts
  - Reduced reporting requirements
  - Authorization of Career Pathways (formerly, CBJTG)
  - Integration of Adult Education into workforce programs
  - Streamlined boards

# DREAM Act

- Senate and House bills introduced
- President Obama committed to comprehensive immigration reform
- Political climate unclear, maybe dependent on health care
- Timing and political appetite slipping

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