2012 Community College National Legislative Summit (CCNLS)

Report by Attendee: Trustee A. Marie Young, SCCD
Board Retreat: April 18, 2012

I, along with trustee Sarah Chapman of SCCD, was in attendance, February 13-16, at the CCNLS which was held at the Marriott Wardman Park Hotel in Washington, DC. Trustee Chapman and I resided at the Courtyard by Marriott during the summit.

In addition to the CCNLS, I attended the California Community College Delegates’ Breakfast on Wednesday February 15\textsuperscript{th}, 7:00 a.m. – 8:15 a.m. The breakfast guest speaker was Martha J. Kanter, Under Secretary, U.S. Department of Education.

The 2012 NLS was a major component of community college leader’s, across the country, advocacy efforts. Nearly 1000 community college trustees, presidents, students and other advocates attended the summit.

Please visit www.acct.org for NLS videos and photos of the 2012 summit. Also, the sixty-seven page agenda, which contains a bio on each speaker, is on the website. I have enclosed in this packet copies of six handouts for your perusal. 1) California Community Colleges Veteran’s Services; 2) California Community Colleges Key Facts; 3) 2012 Community College Federal Legislative Priorities; 4) Obama Administration Community College to Career Fund Proposal 5) Voluntary Framework of Accountability (VFA): Developing Appropriate Measures for Community Colleges; and 6) Advocacy Academy: Community College Federal Legislative Update & ACCT Federal Legislative Update.

From my notes, I consider the following comments by some of the speakers important to share with you.

\textbf{Monday, February 13, 2012}

Social Media & Stream Press

- Hard to get to trustees at community colleges
- Need to explain what we mean by completion
- Best story tellers are community college students
- Hear the ACCT voice, but not the collective institution voices

Congressional Advocacy Best Practices

- Speak on 3 points, no more, when speaking with Congress member.
- Make dialogue relevant to the issues …i.e. give info that is quantifiable, etc.
- At home, make direct contact with Congress member.
- In Washington, make direct contact with staff.
Advocacy Academy

- Translate in message to Congress member how many voters attend your college.
- Let the legislators know that the average age of a community college student is 29.
- Most grants require your college to track the applicants...no grant money given for cost of tracking – that is, the money must follow the mission.
- How much money are we losing and can our foundations replace the loss?
- If the foundation is going to contribute to the grant dollars, add this piece to your grant ... it implies that the college is devoted to this request for funding
- Work in collaboration with other institutions to solve problems.
- Get students involved with the voting process and not just in one election

Tuesday, February 14, 2012

Opening General Session, The Honorable Robert Bennett, Speaker
Former US Senator, (R-UT) Senior Policy Advisor

- When speaking with your Congress member, be honest...have integrity.
- Never ask a member of Congress to do anything that is not in their best interest.
- How will the Congress member benefit from what you are asking him to do? Will it help him as he advances in his career?
- Pitch your request in term of his or her interest.
- What not to do: Don’t bring up extraneous items. Don’t try to do his job for him.
- Ask his advice. ...make the Senator a co-conspirator.
- The most pressure that can be put on a Congress member would be from people in his district; that is, those who vote for him.
- Federal government has taken over the student loan program
- Pell grants are an economic benefit overall
- Governing is harder than campaigning
- “American can be depending on doing the right thing, after they have exhausted the other possibilities.” – T. Roosevelt.

Opening General Session, The Honorable Pete Domenici, Speaker
Former US Senator, (R-NM); Senior Fellow and Co-Chair.
Debt Reduction Task Force, Bipartisan Policy Center

- We spend too much on health care.
- We need to reform the tax code for all Americans.
- We need to fix the entitlements on medicine/health care.
Meeting: African American Trustees

- Identify and promote opportunities
- Conduct research...who is being hired, number of African American students, number of drop outs, etc.
- Maintain information systems.
- How many minority teachers, etc.


Voluntary Framework of Accountability (VFA)

- States are using three different matrices. 1) performance, 2) block scheduling, and 3) performance contracts
- The following weakness in VFA was cited.
  A student who is recommended to take 2 or more courses at a community college to improve their performance, with no degree or certificate awarded to them, is not included into the VFA matrix.

Wednesday, February 15, 2012

General Session: Roberto J. Rodriguez, Speaker
Special Assistant to the President for Education White House Domestic Policy Council

- Partnerships with laser technology ... build skills at community college; provide community colleges with new resources to retrain people for the workforce in high growth fields; community colleges should become community career centers
- K-12 agenda is going to be changed to career readiness
- Visit www.whitehouse.gov for information about the Dream Act, etc.

Thursday, February 16, 2012

General Session Breakfast: The Honorable Eric Shinseki, Speaker
Secretary, US Department of Veteran’s Affairs

- New 911 GI Bill: Vocational Rehabilitation Bill has an education component and a military medic program
- Encourage veteran students to organize themselves and provide a space for them to meet on campus; they will assume a collective cooperation
- First transition year for a veteran is the key.
- Visit the vets’ website: www.va.gov for more info on the new bill.
**My recommendation:** That an advocacy group be formed at SCCD that consists of three board members, staff, students, and concerned community members. The group would spearhead letter writing, faxing, telephone calls, e-mails, visits to our elected officials at the state and national levels, etc.
CALIFORNIA COMMUNITY COLLEGES VETERAN'S SERVICES
February 14, 2012

With an estimated 2.2 million veterans residing in California, the state's veteran population is the largest in the nation. Many of the increasing number of veterans returning from Iraq and Afghanistan will look to one of the 112 community colleges as the most easily accessible and affordable educational option available. In fact, more than 44,000 veterans and active duty service members enrolled at a community college in 2010. California community colleges are providing more services to a growing population of student veterans. The Chancellor's Office has been the lead on several statewide projects:

Veterans Resource Center Project
At Veterans Resource Centers (VRCs) student veterans can interact with one another and obtain information and services. The Chancellor's Office partnered with the High Tech Center Training Unit (HTCTU) at De Anza College to offer free hardware, software and on-site training in assistive technology to colleges that promote academics, camaraderie, and wellness; provide a dedicated space for student veterans; and offer coordinated services such as financial aid and counseling to veterans. As a result, 15 additional colleges have established a VRC on their campus.

Zellerbach Family Foundation Project: “Welcome Home: Creating a Campus Community of Wellness for Returning Veterans”
In March 2010, the Chancellor’s Office received a $75,000 grant from the Zellerbach Family Foundation to support the development and implementation of a training program for faculty and staff to increase awareness on military culture, post-traumatic stress disorder (PTSD), traumatic brain injury (TBI), and depression so that faculty and staff can better understand the challenges faced by many community college student veterans. The training was provided at 3 colleges and two statewide conferences in 2011.

Veterans Summit
In December 2011, the Chancellor’s Office co-hosted a Veterans Summit meeting in San Diego. Topics at the summit included evaluating military training and experience for academic credit, best practices in student services and at Veterans Resource Centers, mental health issues confronting veterans and accessing federal, state and local resources. Videos of the conference sessions can be seen at this link: http://www.veteranssummit.vidcaster.com/.

Regional Representation Structure
The Chancellor’s Office has organized a regional representation structure and hosts regular meetings of this group to better identify student veteran needs across the system and encourage the exchange of innovative ideas and effective practices for serving them.
Collaboration with other state agencies
California Community Colleges and the California Department of Veterans Affairs (CalVet) signed a memorandum of understanding in 2011 that will simplify enrollment in community colleges for members of the military exiting active duty. Continuing this momentum, the Chancellor’s Office has been invited to participate in Governor Brown’s newly created Interagency Council on Veterans to foster collaboration to better serve California’s veterans and their families. Although the California Community Colleges and its campuses have shown themselves to be innovative leaders in providing a broad array of programs and services for student veterans, an infusion of additional resources is needed so that all campuses can ensure the educational success of their student veterans.

Securing Success for Veterans on Campus Act
The Securing Success for Veterans on Campus Act was adopted in 2008. This is an important federal program that provides federal funds for competitive three-year grants to develop and establish Centers of Excellence for Veteran Student Success. These centers provide a single point of contact for the coordination of comprehensive support services for students who are veterans. In California three community colleges, Santa Monica, Citrus, and Chaffey, received grants to establish Centers of Excellence for Veteran Student Success.
California Community Colleges Key Facts

Why We Care About Educating Californians

United States Census Bureau data show that the wages of college graduates are about 90 percent higher than the wages of workers with only a high school diploma. The value of a college degree has grown rapidly over the past quarter century. In the current economic downturn, unemployment rates are far fewer for college graduates than for adults with less education. California faces a skills gap and will fall 1 million degree holders short of workforce demand. Based on current trends, by 2025 only 35 percent of working-age adults will have a college degree, but 41 percent of jobs will require a degree.

We Are the Largest System of Higher Education in the Nation

- The California Community Colleges serve more than 2.6 million students and is the largest system of higher education in the nation.

- The system is composed of 72 districts and 112 colleges.

- California’s community colleges are charged with providing workforce training, basic skills education, and preparing students for transfer to four-year institutions. They offer associate degrees and provide short-term job training certificates in more than 175 different fields.

- Nationwide, 25 percent of community college students and 70 percent of California’s higher education students are enrolled in the California Community Colleges.

We Educate a Diverse Student Body

- California Community Colleges are a microcosm of the demographics of California. In 2010-11, the demographics were composed of 0.6 percent Native American, 0.6 percent Pacific Islander, 3 percent Filipino, 7 percent African American, 11 percent Asian, 30 percent Hispanic, and 32 percent Caucasian.

- Women make up 53.5 percent of community college students in the nation.

- Roughly 50 percent of community college students are age 25 or older.

- Approximately 66 percent of California’s first-time higher education students begin their academic careers at a community college.

- The California Community Colleges enroll approximately 75 percent of the veterans using GI Bill education benefits in California’s three segments of public higher education.

- The number of Pell Grant recipients attending national community colleges increased by 36.8 percent from 2008-09 to 2009-10. Community colleges enroll the state’s lowest-income students.
We Are California's Largest Workforce Training Provider

- The Bureau of Labor Statistics projects that occupations which require an associate degree will grow the fastest of any occupations from 2008-18, at about 19 percent. This is twice the national average.

- Middle-skill jobs represent 49 percent of jobs in California. These jobs include health care workers, truckers, police and firefighters. Middle-skills jobs are central to the energy efficiency, wind, solar, bio-fuels and other green tech industries.

- Approximately 25,000 apprentices are educated each year by community colleges. Adjusting for the fastest growing sectors of the economy, colleges are preparing students to work in the fields of health care, information technology, energy and the environment.

- The California Community Colleges offer more than 175 degree and certificate programs in hundreds of vocational fields such as nursing, business and computer science.

- Community colleges train 80 percent of all California firefighters, law enforcement officers and emergency medical technicians. Thirty-nine colleges have police academies and 64 colleges train firefighters.

- California Community Colleges train 70 percent of California's nurses. Nursing programs are offered at 75 of the 112 colleges.

We Are a Popular and Cost-Effective Pathway to Transfer to a Four-Year Institution

- Almost 60 percent of graduates of the California State University system and 30 percent of those in the University of California system transferred from a California Community College.

- When community college students transfer, they earn upper-division, grade-point averages equal to or better than students who started out as freshmen at the same four-year institution.

- Nearly 66 percent of community college students who transfer to UC complete a bachelor's degree within three years of entering UC – a rate comparable to those students who entered as freshmen.

- Community colleges are a cost-effective route to the baccalaureate degree. Students transferring from a community college to a four-year institution can cut their costs for tuition and fees by almost half while completing their undergraduate degree. Many also save on room and board by living at home and attending their local community college.

We Are a Good Investment

- For every dollar the state invests on higher education, the state's economy receives a $3 return on investment.

- Based on the 2010 Accountability Report for the Community Colleges, students who received a vocational degree or certificate from a California community college in 2003-04 saw an increase in their wages from $25,856 to $57,594 three years after earning their degree, an increase of more than 100 percent.

Community college 2-year degrees and certificates result in vast numbers of middle-skilled wage earners, $48,000 to $75,000 annual median earnings. These wages, in turn, result in higher tax earnings for the state.
2012 Community College Federal Legislative Priorities

Funding Priorities

Preserve the Current Appropriated Pell Grant Maximum Without Limiting Student Eligibility
Pell Grants assist roughly 3.5 million low- and moderate-income community college students each year by helping cover tuition, books and equipment, and living expenses. Total aid to community college students exceeds $11 billion annually. Last year, the $5,550 maximum grant was preserved, but only by limiting student eligibility, including ending aid for those who lack a high school diploma or GED. Pell Grants expand access and enhance completion for community college students. Congress must keep this program whole.

Maintain the Community College and Career Training Grant Program (TAACCCT)
Community colleges have received the first round of funding through the Trade Adjustment Assistance Act Community College and Career Training Grant Program. The program will deliver high quality training to TAA-eligible and other workers. Designed to encourage innovation in program structure and generate new cooperative agreements between institutions and business, the program has three more dedicated years of funding. Community colleges urge Congress to ensure that those funds remain available.

Support the Community College to Career Fund
The President has proposed a three-year, $8 billion program to enhance the role of community colleges in closing the skills gap. The program would bolster community college training activities while ensuring that hard-to-serve populations are not left behind. The program would emphasize the need for business, education, and government to work hand-in-hand to meet evolving economic needs. Community colleges support this bold proposal.

The Carl D. Perkins Career and Technical Education Act
The Basic State Grant helps community colleges improve their career and technical education offerings that lead to high-demand, high-skilled occupations. The program has tight accountability standards. Congress should preserve funding for the Basic State Grants.

Institutional Aid Programs
Investments in direct institutional aid to colleges that serve disproportionate numbers of minority, low-income and first-generation college students are critical, particularly given state funding reductions. Congress should continue its support for the Strengthening Institutions program, Hispanic Serving Institutions, Asian American and Native American Pacific Islander Serving Institutions, Tribal Colleges, and Predominantly Black Institutions.

Workforce Development
American businesses are facing a shortage of workers with the requisite skill levels. The Workforce Investment Act’s job training and adult basic education programs provide workers, particularly those with little means or skills, with the education and training they need to meet this growing demand.

Science, Technology, Engineering, and Math (STEM)
The National Science Foundation’s Advanced Technological Education (ATE) program is a pillar of support for community college STEM programs that are developed in conjunction with businesses in nanotechnology, alternative energy, advanced manufacturing, and many others.
**LEGISLATIVE PRIORITIES**

**Enhance and Make Permanent the American Opportunity Tax Credit (AOTC)**
The American Opportunity Tax Credit (AOTC) is a critical element of support to students and families paying for college expenses, and should be made permanent. In addition, AOTC should be altered so Pell Grant recipients at community colleges qualify for the credit. A streamlining of student financing tax provisions is highly desirable.

**Provide $5 Billion for Community College Infrastructure**
President Obama has proposed $5 billion for community college infrastructure and modernization. This funding is included in the “Fix America’s Schools Today” or FAST Act, introduced in the House and Senate as H.R. 2948 and S. 1597, respectively. Community college facilities are in demand but deferred maintenance has grown during the economic downturn. Congress should provide these badly needed resources.

**Ensure That Any Changes to Higher Education Programs Work For Community College Students**
President Obama has advanced a series of far-reaching proposals related to college affordability and effectiveness. The proposals primarily involve states and institutions but they would greatly impact students. Community colleges welcome new federal commitments to their success, but want to ensure that they do not result in unwarranted federal involvement in higher education policy, financing and governance. Provisions to shore up state support for community colleges are especially welcome.

**Strengthen Workforce Development**
Congress should reauthorize the Workforce Investment Act (WIA) this year, prioritizing the role community colleges play in delivering education and training to America’s workers and businesses. Job training and adult basic education must be better integrated and emphasize the attainment of postsecondary credentials. WIA should not allow governors to consolidate Perkins CTE funds into a larger workforce investment fund. Additionally, the Adult Education and Family Literacy Act (AEFLA) is a critical component of solving the national issue of adult literacy. Community colleges serve as key providers and, in some cases, as state administrators of AEFLA funding. Support for this program should be enhanced.

**Help Community Colleges Serve Veteran Students**
Community colleges need additional support in their essential and traditional role of providing support to veterans as well as active duty service members. Congress should ensure that veterans receive comprehensive counseling and related services about all educational options and fund the Centers of Excellence for Veterans Success in the Higher Education Opportunity Act.

**Pass the Development, Relief and Education for Alien Minors (DREAM) Act**
The Development, Relief and Education for Alien Minors (DREAM) Act provides a path to legal status for thousands of undocumented students who were brought to this country as children, worked their way through high school, and now face an uncertain future. The DREAM Act returns to the states the decision of whether to extend in-state tuition to undocumented students. The DREAM Act has bipartisan support and the legislation should be enacted now.

**Improve the Elementary and Secondary Education Act (ESEA)**
As Congress reauthorizes this key education statute, it needs to consider the critical role that community colleges play in supporting the nation’s K-12 system. Community colleges look to partner with the federal government to offer more dual enrollment programs and early college high schools, and they also play an enhanced role in teacher preparation. Additionally, Congress should focus on effective implementation of national college and career readiness standards that will help reduce the need for remedial education and improve student time-to-degree.
President Obama’s budget includes landmark investments in community colleges, notably an $8 billion “Community College to Career” fund that builds on the Trade Adjustment Assistance Community College and Career Training Grant Program to infuse more resources into job training programs at community colleges. It is designed to train 2 million workers with skills that lead directly to employment. The proposal includes bonus funds for especially effective programs, money for state and local governments to help them attract businesses and jobs to America, and money for entrepreneurship training programs.

These investments will require congressional approval, which will be challenging to obtain in the current budget climate and in an election year. Many of the proposals also would require new laws (authorizations) to be enacted in advance of this funding.

Further details, from the White House fact sheet, are as follows:

**The President’s Commitment to Build a High-Skilled Workforce Through a Community College to Career Fund**

The Community College to Career Fund in the President’s Budget will advance skill building through funding a number of priority areas:

- **Developing community college partnerships to train skilled workers for unfilled jobs:** The Fund will support community college-based training programs that will: expand targeted training that will meet the needs of employers in growth and demand sectors; provide workers with the latest certified training and skills that will lead to good-paying jobs; and invest in registered apprenticeships and other on-the-job training opportunities. The Fund will also support paid internships for low-income community college students that will allow them to simultaneously earn credit for work-based learning and gain relevant employment experience in a high-wage, high-skill field. States will also be able to seek funding to support employer efforts to upgrade the skills of their workforce. Additionally, the Fund will provide support for regional or national industry sectors to develop skills consortia that will identify pressing workforce needs and develop solutions such as standardizing industry certifications, development of new training technologies, and collaborations with industry employers to define and describe how skills can translate to career pathways.

- **Instituting “Pay for Performance” in job training:** The Community College to Career Fund will support pay for performance strategies to provide incentives for training providers, community colleges, and local workforce organizations to ensure trainees find permanent jobs. For instance, states would be eligible for funding to support bonus programs for training programs whose graduates earn a credential and find quality jobs shortly after finishing the program. Pay for performance structures would provide stronger incentives for programs that effectively place individuals who face greater barriers to employment.

- **Bringing jobs back to America:** The Fund will allow federal agencies to partner with state and local governments to encourage businesses to invest in America. State and local governments will be able to apply for grants to encourage companies to locate in the U.S. because of the availability of training to quickly skill up the local workforce.

- **Training the next generation of entrepreneurs:** The Community College to Career Fund will support pathways to entrepreneurship for 5 million small business owners over three years through the nation’s workforce system and its partners, including: a six-week online training course on entrepreneurship that could reach up to 500,000 new entrepreneurs and an intensive six-month entrepreneurship training program resulting in entrepreneurship certification for 100,000 small business owners.
A proposal VFA implementation is planned for building the VFA online data collection, display, and analytic tool and for rolling out.

VFA is currently finalizing the initial development phase. Community college leaders- localized by ACCC defined and tasked the first.

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Efficiency, effectiveness, and workforce development leaders.

College leaders including presidents, institute, institutional research, chancellors, accountability, and developing the VFA with a steering committee and working group comprised of nearly 60 community

ACCC in partnership with the Association of Community College Trustees and the College Board, is Community colleges and student outcomes.

How can community college leaders identify, define, and measure community college education needs? What are students learning? How well do our colleges help students graduate? Are we effectively serving developmental education needs? How can we assess the outcomes of all our students?

College leaders defining more accurate ways to measure community college effectiveness and student outcomes.

Review data with a steering committee and working group comprised of nearly 60 community college leaders- localized by ACCC defined and tasked the first.

A framework for community colleges.

A framework for community colleges.

Appropriate measures do not adequately capture data on progress and outcomes for community colleges.

A Glance

Community college leaders defining more accurate ways to measure community college effectiveness and student outcomes.

A framework for community colleges.
Community College Federal Legislative Update

February 2012

ACCT
ASSOCIATION OF
COMMUNITY COLLEGE TRUSTEES

ACCT Federal Legislative Update

- FY 2012 & 2013 Appropriations
- Sequestration & Budget Control Act
- Pell Grants
- White House Higher Ed Proposals
- WIA Reauthorization
- TAA CCCTG
- FAST Act
- AOTC
- Veterans
- DREAM Act
- ESEA
Most of Budget Goes Toward Defense, Social Security, and Major Health Programs

- Defense and Security: 20%
- Safety Net Programs: 14%
- Interest on Debt: 6%
- Medicare, Medicaid, and CHIP: 21%

Program Areas in the Remaining Fifth of the Budget

- Benefits for Federal Retirees and Veterans: 7%
- Scientific and Medical Research: 2%
- Transportation Infrastructure: 3%
- Education: 3%
- Non-security/International: 2%
- All Other: 3%

Source: Data from Office of Management and Budget, 2012
Note: Percentages may not total 100 due to rounding.

Education is just 3% of the federal budget

FY 2012 Appropriations

- In December, the House and Senate finally reached agreement on the omnibus appropriations package, marking the completion of all 12 annual appropriations bills for fiscal year (FY) 2012.
- Funding levels were largely similar to those of FY 2011.
- Appropriators held to the overall cap of $1.043 trillion as set by the Budget Control Act. This was $7 billion less than FY 2011, but $24 billion higher than the Ryan Budget.
- The FY 2012 omnibus included a 0.189% across-the-board cut to most education and labor programs.
- Pell Grants were maintained at a maximum of $5,550, but incurred significant changes to eligibility.
**FY 2012 OMNIBUS FUNDING CHART**

<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>FY 2011 Funding</th>
<th>FY 2012 Omnibus w/.189% cut</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEOG</td>
<td>$29,650,000</td>
<td>$29,388,585</td>
</tr>
<tr>
<td>Federal Work Study</td>
<td>$978,531,000</td>
<td>$976,682,000</td>
</tr>
<tr>
<td>Career and Technical Education</td>
<td>$1,135,164,000</td>
<td>$1,133,630,000</td>
</tr>
<tr>
<td>State Grants (Perkins)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adult Basic and Literacy Education</td>
<td>$596,120,000</td>
<td>$594,993,000</td>
</tr>
<tr>
<td>TRIO</td>
<td>$826,557,000</td>
<td>$820,982,000</td>
</tr>
<tr>
<td>GEAR UP</td>
<td>$302,816,000</td>
<td>$302,244,000</td>
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<tr>
<td>WIA State Grants</td>
<td>$2,559,980,000</td>
<td>$2,503,300,000</td>
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<tr>
<td>Strengthening Institutions</td>
<td>$83,832,000</td>
<td>$80,623,000</td>
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<tr>
<td>Hispanic Serving Institutions</td>
<td>$104,355,000</td>
<td>$103,422,000</td>
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</tbody>
</table>

i. The omnibus contains a 0.189% across-the-board reduction to all programs in Labor-HHS-Education. This cut applies to FY 12 appropriations. Some programs include both FY 12 appropriations and advanced FY 13 appropriations contained in this bill, the 0.189% cut only applies to the FY 12 funding, not the advanced FY 13 appropriations.

ii. The 0.189% cut applies to FY 12 advanced appropriations for these four programs provided in the FY 11 continuing resolution.

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**FY 2013 Appropriations and Budget**

- The President is schedule to release his FY 2013 budget proposal on February 13.

- This begins the Congressional appropriations process and serves as the baseline to which the House and Senate appropriations bills will be developed.

- The Budget Control Act sets new spending caps for FYs 2012-2021 and appropriators may not exceed these caps.

- For FY 2013, the discretionary cap is set at $1.047 trillion, which is $4 billion over the FY 2012 appropriations package.
Sequestration

- On August 2nd, the Budget Control Act of 2011 (BCA) was signed into law, preventing the United States from defaulting on outstanding spending obligations.

- The BCA sets for a timeline of spending reductions and new triggers for raising the debt ceiling.

- Since Congress and the Super Committee were unable to pass a plan reducing federal spending by $1.2 trillion, cuts will be enforced by the OMB through a process known as sequestration.

- In January 2013, most federal discretionary programs will receive an across-the-board cut. Estimates put this cut somewhere in the 7.5 to 9 percent range.

- For years 2014 – 2021, it is up to the Congressional appropriators to determine where the cuts are made, however they must find at least $54.7 billion in savings annually.

- The Pell Grant program is exempt from sequestration in 2013, but is eligible for cuts by the appropriators beginning in FY 2014.

Potential Impact of Sequestration

<table>
<thead>
<tr>
<th>Program</th>
<th>Funding Cuts (in millions)</th>
<th>Students Impacted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants to Local Educational Agencies (ESEA Title I)</td>
<td>$19.6</td>
<td>1,436,500</td>
</tr>
<tr>
<td>Career and Technical Education State Grants</td>
<td>$87.6</td>
<td>1,214,500</td>
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<tr>
<td>Adult Basic and Literacy Education State Grants</td>
<td>$53.5</td>
<td>195,600</td>
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<td>Federal Supplemental Educational Opportunity Grants</td>
<td>$57.4</td>
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<td>Federal Work Study</td>
<td>$76.5</td>
<td>133,100</td>
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<tr>
<td>Aid for Institutional Development Programs</td>
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</tr>
<tr>
<td>Federal TRIO Programs</td>
<td>$67.3</td>
<td>68,000</td>
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<tr>
<td>GEAR UP</td>
<td>$23.6</td>
<td>59,000</td>
</tr>
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</table>

* Data produced by the National Education Association. Assumes a sequestration level of 7.5%
Pell Grant Program

- The federal Pell Grant program now serves approximately 9.4 million students. One-third of whom attend community college.

- During the summer of 2011, the Pell Grant program was facing an $18.3 billion shortfall over the next two academic years.

- Congress opted to infuse the program with $17 billion during the summer debt ceiling negotiations, leaving a more manageable $1.3 billion shortfall for AY 2012 – 2013.

- In order to maintain the $5,550 maximum and address the $1.3 billion shortfall for AY 2012 – 2013, Congress implemented four changes to Pell Grant eligibility that begin on July 1st.

Pell Grant Program

Eligibility changes

1. **Elimination of Ability-to-Benefit Students**: Ability-to-Benefit students are those who have not received a high school diploma or GED but have demonstrated their capacity to benefit from college access through testing or course completion. As of July 1, 2012, new students lacking a GED or high school diploma will no longer be eligible for federal student aid. Consequently, 65,000 students who would have received an average grant of $3,932 will not be eligible to receive any Pell Grant funding in 2012 – 2013.

2. **Changes to Income Levels for Zero Expected Family Contribution (EFC)**: The Expected Family Contribution (EFC) is the amount a student or family is expected to contribute toward college costs. Under the omnibus, the maximum income for automatic zero EFC students has been reduced from $32,000 to $23,000. This will eliminate 12,000 students from eligibility for an average Pell Grant of $4,098. An additional 274,000 recipients will receive an average of $715 less in Pell funding, but remain in the program, as a result of this change.
Pell Grant Program

Eligibility changes

Elimination of Students Qualifying for Less than 10% of the Maximum Award: Students eligible for less than the minimum Pell Grant award of $555 no longer qualify to receive Pell as of July 1, 2012. In 2012 – 2013, this means about 3,000 recipients will not receive an average grant of $506.

Reduction in the Maximum Number of Semesters: Students currently may receive a maximum of 18 full-time semesters of Pell Grant awards. Starting on July 1, 2012, this will be reduced to 12 full-time semesters, and it will retroactively impact students currently exceeding 12 full-time semesters. For students who are less than full-time, the cap is applied proportionally to their enrollment. As a result, about 63,000 recipients will not receive an average award of $3,905 in Pell grants in award year 2012 – 2013.

Pell Grant Program

Fiscal Year 2013 and Beyond

• For AY 2013-2014, the Pell Grant maximum is receiving a mandatory increase of $85 under statutory formula set by the Student Aid Financial Relief Act (SAFRA).

• This increased maximum for 2013 will be $5,635, and it will go into effect unless Congress takes specific legislative action preventing the increase.

• For FY 2013, the Pell Grant program is on stronger ground, with a projected $1.5 billion surplus.

• This potential reprieve will be short lived. According to estimates, the program will face another shortfall of approximately $8 billion for AY 2014-2015.

• Congress will need to address this shortfall in the coming years either through changes to the program or additional funding.
White House Proposals for Higher Ed

In conjunction with President Obama’s speech at the State of the Union, the White House has released a policy blueprint including proposals for higher education. These proposals include:

- Forging new partnerships between community colleges and businesses to train and place 2 million skilled workers.
- Preventing student loan interest rates from doubling, and doubling the number of work-study jobs.
- Permanently extending the American Opportunity Tax Credit.
- Rewarding schools that keep college affordable by shifting campus based student aid away from schools with rising tuition.
- Empowering families and students to be informed consumers by: (1) Creating a College Scorecard for all degree-granting institutions; (2) Making the ‘Financial Aid Shopping Sheet’ a required template for all colleges; and (3) Collecting earnings and employment information from colleges.

Workforce Investment Act (WIA)

- Duplication of job-training programs continues to be major interest in reauthorization.
- In late 2011, House Education and Workforce Committee Republicans introduced new WIA reauthorization bills.
- HR 3610, the Streamlining Workforce Development Programs Act of 2011 consolidates 33 current training programs into four basic funding streams: adult and dislocated workers, youth, special populations, and veterans. It would also allow governors to roll CTE funds into a state unified workforce plan.
- The Senate had released a bipartisan draft bill that has only minimal Republican support. It does not make major changes to existing law or force consolidations.
- It is anticipated that the House will begin marking up their WIA bills soon. It is unclear if a bipartisan deal can be met between the House and Senate.
**TAA Community College And Career Training Grant (CCCTG)**

- $500 Million per year for four years ($2 billion total)
  - Program created in ARRA, and funded in Health Care and Education Reconciliation Act of 2010
  - Each state guaranteed at least $2.5 million per year.
- First round of grant awards was announced on September 26th, with 32 states and consortia receiving awards.
  - Grants ranging from $2.5 - $5 million for individual applicants; or $2.5 - $20 million for consortia.
  - States without a lead grant receive $2.7 million.
- For the first round, DoL received $3 billion worth of requests for $500 million available funds.
  - The second competition for funding is expected to take place in early 2012.

**Community College Modernization**

- In September, President Obama proposed a $5 billion community college infrastructure modernization initiative as part of the American Jobs Act.
- This $5 billion for community colleges has been included in bills introduced in both the House and Senate entitled the "Fix America’s Schools Today," or FAST Act.
- The funding would go only to community colleges for facilities modernization and would not be available for new construction.
- The bill may be scheduled for debate in the Senate in the coming months, but would likely face a filibuster.
American Opportunity Tax Credit

- The American Opportunity Tax Credit (AOTC) was extended through 2012 under the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 – replacing the Hope Tax Credit.

- The tax credit – worth up to $2,500 – is an increase of $700 from the previous Hope credit and is available for the first four years of education.

- Eligibility was expanded to more middle class families and those not covered by financial aid.

- Course materials were also added to allowable expenses for the tax credit.

- The AOTC serves 8 million students each year and has provided billions in tax breaks for families struggling to pay for education.

Veterans

- The VOW to Hire Heroes Act became law in November.

- The bill assists current service members separating from military service transition their skills into civilian employment opportunities, and assists unemployed veterans by providing additional training opportunities and tax incentives.

- The VOW Act authorizes a Veterans Retraining Assistance Program to provide up to 12 months of the Montgomery GI Bill-Active Duty program to unemployed Veterans of past eras.

- It also allows for additional months of training under the Vocational Rehabilitation & Employment (VR&E) rehabilitation program.

- It strengthens transitional service programs, and provides significant tax credits to employers who hire unemployed veterans.
The DREAM Act

- In December 2010, Congress came close to passing the DREAM Act, but was unable to muster the 60 votes to break cloture in the Senate.

- The DREAM Act was reintroduced in both the House and the Senate this past May by Congressman Howard Berman (D-CA) and Senator Dick Durbin (D-IL) as H.R. 1842 and S. 952.

- 2010 elections diminished prospects of Congressional passage even further.

- At this time, there is no indication that the House or Senate plan to consider the DREAM Act on the floor.

Elementary and Secondary Education Act

- The Elementary and Secondary Education Act (ESEA), dubbed "No Child Left Behind" by the Bush Administration, has been due for reauthorization for a number of years.

- Over the last year, both the House and Senate have introduced numerous bills dealing with reauthorization.

- While some degree of bipartisan ship remains in the Senate, the House plans to move its Republican led bills to the floor in the coming months.

- Secretary of Education Arne Duncan has instituted a series of waivers in lieu of reauthorization.

- The waivers are designed to allow states the flexibility to implement reforms, including: using funds to address failing schools; overhauling professional development and teacher evaluations; and replacing adequate yearly progress with a comprehensive accountability system.
Important Dates in 2012

ACCT Annual Leadership Conference:
October 10 – 13
Boston, MA

AACC Annual Convention:
April 21 – 24
Orlando, FL

For more information, visit: www.acct.org

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