



2008 JANUARY FEDERAL BOARD REPORT

ACCT National Legislative Summit Washington DC February 11 – 14

The CCC registration for this annual event is nearing a hundred, and local campuses districts are encouraged to schedule appointments with their California congressional members as early as possible to ensure access to members' competitive schedules. The Summit arrives at a timely juncture, as the President will deliver his State of the Union address on January 28, and on February 4, he will release his Fiscal Year 2009 budget request. It has also been reported that the House Education and Labor HEA Reauthorization measure, H.R. 4137, is expected "to hit the House floor in early February," thus allowing Congress reasonable time to meet the March 31 expiration of the most recent extension. The reauthorization of the Higher Education Act, PL 105-244, was first scheduled for 1998 and has had numerous continuing resolutions extending its finalization over the past decade.

HEA Reauthorization

H.R. 4137, The College Opportunity and Affordability Act, was passed by its Education and Labor Committee by a 44-0 on November 9 — a bipartisan episode during a very partisan era on Capitol Hill. Twenty-seven amendments were adopted during the debate. (The Senate had passed its reauthorization measure, S. 1642, by a 95-0 vote on July 24.) The House version is viewed as the weaker between the two.

There is broad agreement in a number of areas, and some of the bill's provisions are positive —such as the year-round Pell Grant, simplification of the Free Application for Federal Student Aid and a number of new programs that will benefit various institutions and students — albeit 189! For example, the measure creates:

- A new scholarship program for active duty military personnel and family members, including children and spouses of active duty military service members or veterans (\$5,000 a year grant). It establishes support centers to help veterans succeed in college and graduate and ensures fairness in student aid and housing aid for veterans to make it easier for them to go to college while also fulfilling their military service duties.
- A national center to provide support services and best practices for colleges, students with disabilities, and their families.



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- A program to encourage articulation agreements, including a variety of strategies such as common course numbering and general education core curricula.
- A Higher Education Price Index (HEPI) and place colleges that increase their tuition and fees at a higher rate than the HEPI on a watch list. Colleges that increase tuition and fees at a rate less than or equal to the HEPI would receive federal grants to use for need-based grants. Colleges on the watch list would be required to establish a quality-efficiency task force to review the reasons for the increase. Lower-costing colleges that raise tuition and fees less than \$500 would be exempt from this provision.

Among other provisions, it:

- Authorizes a maximum Pell Grant of \$9,000.
- Increases the SEOG allowance for books and supplies from \$450 to \$600, as well as for the Federal Work Study and Perkins.
- Reauthorizes loan forgiveness for service in areas of national need. Areas of national need include (with some limitations) -- early childhood educators, nurses, foreign language specialists, librarians, highly qualified teachers, child welfare workers, speech-language pathologists, national service, school counselors, public sector.
- employees (police, fire, law enforcement, public safety, emergency management, public health, public interest legal services), nutritional professionals, medical specialists, and mental health professionals.
- Forgives \$2,000 per year for up to five years of full-time employment. Expands the definition of totally and permanently disabled to include similar determinations by the VA.
- Increases Perkins Loan annual limits from \$4,000 to \$5,500 for undergraduate students and \$6,000 to \$8,000 for graduate students.
- Modifies Perkins loan cancellation to add service as a full-time fire fighter, full-time faculty member of a Tribal College or University, as a librarian in national need areas, as a full-time speech language therapist.
- Specifically reflecting the lobbying efforts of the CCC are the provisions related to the Academic Competitive Grants expanding its grants to certificate programs and to less than FT eligibility, two specific points in CCC Congressional presentation last fall.



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Concerns (working draft):

- Complex provisions on college costs and the large number of new reporting and record-keeping requirements and other controlling illegal peer-to-peer file sharing using university computer networks to disclosing information on donors of all foreign and domestic gifts above \$1 million. A large number of the bill's new reporting requirements relate to college cost.
- Lack of reference regarding the cohort default rate issue.
- Limit to 18 semester units for Pell.
- Accreditation language in the Senate measure, which specified “institutions” as responsible for establishing the institution's mission and the ways in which student achievement is to be determined was removed. The House language is now ambiguous.

It is important to note that the December 19 omnibus measure, H.R. 2746, (see below) specifically bars the Federal Department of Education from issuing regulations on accreditation until the HEA measure passes, and Secretary Spellings has agreed **not** to act on “student learning outcome” measures until a reauthorization bill is enacted. In fact, the National Advisory Committee on Institutional Quality and Integrity was advised by Department officials to adhere to the boundaries of federal laws and rules and to apply the guidelines uniformly to all accreditors. Secretary Spellings praised colleges for embracing her call for providing more information about their performance and quality and reiterating the Department’s push for better measures of student learning, taking care to note that the Department: “will not, and should not, ever constitute a one-size-fits all system...no standardized tests...”

After the House passes the measure, it will then go to conference and hopefully Congress will meet the March 31 deadline for extension.

Recap: 2008 Spending Measure

Just prior to the Christmas holidays, President Bush signed the single omnibus \$515 billion spending bill for 2008, H.R. 2746. It includes monies for K- 16 education, in addition to spending for 11 other areas.

Funding for the U.S. Department of Education program includes:



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- \$13.9 billion for Title I grants to local education agencies, an 8.3% increase over fiscal year 2007;
- \$11.8 billion for special education grants;
- \$2.94 billion to help states improve the quality of their teachers;
- \$1.27 billion for career and technical education grants, a small decrease from FY 2007; and
- \$16 billion in Pell Grants for low- and middle-income college undergraduates, a 16.7% increase over FY 2007 when funding from both the appropriations bill and the separate *College Cost Reduction and Access Act* (approved in September) are combined.

H.R. 2746 Tidbits:

Across-the-Board Cuts – 1.7 percent across-the-board rescission on all domestic programs in the previous bills.

Pell Grant – Cut by only \$69 million resulting in the maximum Pell Grant being reduced to \$4,241 from its current level of \$4310. It will rise again to \$4,731 once funds from the Budget Reconciliation measure enacted in September are included -- it provided a \$490 increase to the maximum contained in the new spending bill for 2008.

TRIO – Funded at 2007 levels.

Gear Up – Funded at 2007 levels.

LEAP (Leveraging Education Assistance Programs) – Restored with approximately \$1 million less than 2007 levels.

Perkins Loans – Restored with approximately \$1 million less than 2007 levels.

Supplemental Educational Opportunity Grants – Restored with a \$13 million reduction.

Teacher Training – Provided \$2 million for two new programs to help colleges train more graduates in mathematics, science, and foreign languages to become schoolteachers.

Health Care – Increased nursing education by 4.3 percent, to \$156 million. The budget would also more than double spending for two programs intended to help students from minority groups train as physicians and other health professionals: the Health Careers



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Opportunity Program, which would get \$9.8 million in 2008, and the Allied Health and Other Disciplines program, which would get \$8.8 million.

The National Institutes of Health – Cut by \$1 billion from the level agreed to by the U.S. House of Representatives and Senate in compromise legislation.

Federal Department of Education Student Financial Aid

The Department is encouraging all students to complete a Free Application for Federal Student Aid, or FAFSA, to qualify for a share of the more than \$80 billion in federal grants, loans, and work-study assistance. Over 95% of FAFSAs are submitted online, and the Department has made it even easier to apply that way. Students and families can:

- Request a personal identification number (PIN) and immediately receive it to electronically sign the application.
- Submit an online application and immediately receive a confirmation with a preliminary expected family contribution.
- List up to 10 schools to receive the provided financial aid information.
- Copy parental information to another application for a second or third child.

Other options for filing, including downloading the form or ordering a hard copy may be found at: <http://federalstudentaid.ed.gov/>.

Additionally, College Goal Sunday (<http://www.collegegoalsundayusa.org/>) brings together financial aid professionals from colleges and universities, along with other volunteers, to help college-bound students and their families fill-out the FAFSA on a Sunday afternoon. Use the online map to find dates, times, and locations by state. The program is free.