

Federal Policy and Advocacy Update

SUMMARY OF THE PRESIDENT'S 2023 BUDGET REQUEST

On March 28, President Biden released his Fiscal Year 2023 budget request, outlining the administration's various funding priorities. The budget contains a \$15.3 billion increase in discretionary higher education spending, and many provisions would provide substantial benefit to community college students. Major highlights of the budget include:

- \$1,775 increase to the maximum Pell Grant for a new total of \$8,670 for the 2023-24 academic year.
- \$752 million increase over 2022 spending levels for Historically Black Colleges and Universities (HCBUs) and Minority Serving Institutions (MSIs).
- \$200.8 million increase for Federal TRIO Programs to expand student outreach and educational supports for individuals from disadvantaged backgrounds.
- \$118 million increase for Registered Apprenticeship programs.
- \$110 million increase for Retention and Completion grants within the Fund for the Improvement of Postsecondary Education (FIPSE).
- \$100 million increase to the Strengthening Community College Training Grants (SCCTG) program designed to build the capacity of community colleges to address equity gaps and meet the skill development needs of employers in growing and in-demand industries.

STUDENT ROUNDTABLE WITH CHAIRMAN TAKANO

On April 4, Chancellor Oakley, the Government Relations team, and Riverside Community College District facilitated a student roundtable discussion with House Veterans Committee Chairman Mark Takano (D-CA) and 13 total students from Riverside City College and Moreno Valley College to elevate the experiences and challenges of community college students. During the roundtable, the students shared how the emergency cash grants authorized under the Higher Education Emergency Relief Fund (HEERF) were impactful in alleviating hardships stemming from the pandemic. The students also engaged the Chairman in a candid conversation on how challenges such as food insecurity, housing insecurity, childcare, and Pell Grant lifetime eligibility limits create barriers to achieving academic success. The Chancellor's Office is grateful for the students' enthusiasm and insights at the roundtable, as well as the leadership of Riverside Community College District for their assistance to coordinate the event. The Chancellor's Office extends its sincere appreciation to Chairman Takano for his willingness to participate and for his ongoing commitment to advocate for the needs of community college students in Congress.

ADMINISTRATION UPDATE

On April 6, the U.S. Department of Education issued a notice regarding an automatic extension of the Higher Education Emergency Relief Fund (HEERF) grantees' performance

period through June 30, 2023. Institutions were originally required to expend HEERF grant funds within one year from the date the Department processed their award, but the extension provides greater flexibility as institutions continue to grapple with the financial consequences of COVID-19. The extension applies to all institutions with a HEERF grant balance of more than \$1,000 and will be provided at no cost to institutions.

On March 14-18, the U.S. Department of Education held the third and final negotiated rulemaking session on several institutional accountability topics. Committee negotiators were unable to reach consensus on a proposal to implement a new iteration of Gainful Employment regulations intended to hold institutions accountable for ensuring that their graduates can find sufficient employment that can pay off their student loans. The committee raised concerns over a proposed metric that would use the median earnings of high school graduates as a benchmark to assess whether career education programs maintain eligibility for federal financial aid programs. Several committee members argued that the high school earnings metric would unreasonably penalize career education programs taught at public institutions in lower socio-economic areas, and expressed concern on the lack of an appeals process for institutions that fail the metric. In the coming months, the Department will issue a final Gainful Employment rule in the Federal Register, and will open a public comment period of at least 60 days.

APPROPRIATIONS UPDATE

On March 16, President Biden signed into law a \$1.5 trillion omnibus spending bill to fund the federal government for the remainder of Fiscal Year 2022, which ends on September 30. The spending package authorizes a \$457 million increase for higher education spending above Fiscal Year 2021 enacted spending levels. Most notably, the spending package approves a \$400 increase to the maximum Pell Grant award, bringing the total to \$6,895 for the 2022-23 award year. This is the largest one-time increase to the Pell Grant in more than a decade. The bill also includes substantial new funding for federal workforce programs including a \$45 million increase for Career Technical Education State Grants, and a \$16 million increase for Adult Education State Grants. Further, the bill includes a \$34 million increase for Hispanic Serving Institutions (HSIs) and a \$20 million increase for Federal Work-Study.

LEGISLATIVE UPDATE

On April 8, Senator Padilla introduced the Hispanic Educational Resources and Empowerment (HERE) Act of 2022. The HERE Act would authorize a new \$150 million grant program for HSIs to increase college access and affordability for Latinx students. Specifically, the bill would expand dual enrollment pathways, reduce the placement of students in remediation courses, and would provide institutional grants to help defray non-tuition related expenses. The HERE Act aligns with the goals of the *Vision for Success* to reduce equity gaps and reduce unit accumulation, and the Chancellor's office is in support of the bill.

On March 29, bipartisan legislation intended to address supply chain shortages called the America Competes Act passed the Senate on a vote of 68-28. The vote comes after the

House approved its own version in February, and sets the stage for the legislation to be reconciled between the two chambers before final passage. Congressional negotiators will need to determine if the final version of the bill will contain provisions proposed by the House that would extend Pell Grant eligibility to students attending short-term job-training programs and would revive the Trade Adjustment Assistance for Community College and Career Training (TAACCT) program to equip displaced workers with training needed to obtain high-quality jobs.