



COMMUNITY COLLEGE LEGISLATIVE PRIORITIES

**BACKGROUND BRIEFING  
INFORMATION**

**NLS  
2020**

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## SHORT-TERM PELL GRANTS

The Federal Pell Grant program is the federal bedrock of equity and access in postsecondary education. The program was established in 1972 to tackle inequity in the postsecondary system and enable all students to access college, regardless of income. The grant was created with the traditional undergraduate student in mind – younger, dependent, and full-time<sup>1</sup>.

Since the creation of the Pell Grant program, Congress has periodically modified it to better meet student needs and the evolving economy. Community college leaders believe that the Pell Grant program should be modernized through the expansion of eligibility to shorter-term, workforce-oriented programs.

Currently, to qualify for Pell Grants a program must be two-thirds of a year in length (or 600 clock hours). Eligibility for shorter-term programs should be established, with safeguards to ensure that only high-quality programs receive support.

Talking Points:

- Short-term training programs offer opportunities for students to quickly increase their skill level and earning potential.
- Lowering the threshold for Pell Grant eligibility to 150 clock hours will enable more individuals to access training programs for jobs in high-need fields and help lower-earning individuals boost their incomes.
- The bipartisan JOBS Act recognizes the need in this area by establishing Pell Grant eligibility for short-term programs. The cost of this eligibility change is extremely modest in relation to the program's overall cost.
- The JOBS Act (S. 839) is sponsored by Senators Kaine (D-VA) and Portman (R-OH), and a companion bill in the House (H.R. 3497) is sponsored by Representatives Richmond (D-LA), Levin (D-MI), Horsford (D-NV), Gonzalez (R-OH), Herrera Beutler (R-WA), and Katko (R-NY).
- *Provide an example of programs at your college that would benefit from this change.*

## INCREASE THE PELL GRANT MAXIMUM AWARD

The Federal Pell Grant program is an almost \$30 billion program that serves approximately 7 million students annually. Nearly one-third of Pell Grant recipients attend community college. The program is essential to supporting access and success for millions of low-income students. In recent years, the Pell Grant program has expanded to raise the award level and expand student eligibility through the 2008 reauthorization of the Higher Education Act, the American Reinvestment and Recovery Act of 2009, and the Health Care and Education Reconciliation Act of 2010.

Despite these investments, the Federal Pell Grant program still falls far short of covering students' full cost of attendance, which have outpaced program growth. While the maximum award for the current academic year is \$6,195, according to the College Board the average cost of attendance for a full-time community college student is \$18,420 (\$3,730 in tuition and fees and the remainder includes room and board, course materials, transportation, and other expenses). Increasing the purchasing power of the Pell Grant program supports college access, improves affordability, reduces the need for borrowing, and promotes on-time degree completion.

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<sup>1</sup> <https://www.luminafoundation.org/looking-back-to-move-forward-3>

Congress should once again increase the maximum award in FY 2021 while ensuring that the program is on solid fiscal footing. Ideally, annual increases to the Pell Grant maximum should be tied to inflation and rely upon mandatory funding.

#### Talking Points:

- Pell Grants assist low-income students with tuition and fees and other college expenses—they are an essential component of broad access to higher education.
- Increasing the maximum award helps diminish the costs of attendance for low-income students, while also reducing the need for borrowing.
- Pell Grants help expand postsecondary access, lowering the equity gap between low-income students and those with greater financial means.
- Providing more funding for the program has the added benefit of increasing the pool of students eligible to receive Pell Grants.

## SECOND CHANCE PELL GRANTS

Across the country, scores of community and technical colleges partner with correctional institutions to offer postsecondary programs for incarcerated individuals. However, since 1994 individuals incarcerated in federal or state prisons who would otherwise be eligible to receive Pell Grants to cover tuition, fees, and course materials have been ineligible for assistance.

The 95 percent of incarcerated individuals who will eventually re-enter society need access to programs while they are incarcerated to support their future success, including postsecondary education. Research demonstrates that those who have at least some postsecondary education are far less likely to reoffend than those who do not. In fact, a [2013 study by the Rand Corporation](#) found that participating in an educational program while incarcerated decreases the odds of recidivism by 43 percent.<sup>2</sup>

Congress and the administration are actively considering the benefits of overturning the ban on Pell Grant eligibility for incarcerated individuals. Currently, the U.S. Department of Education is operating an experimental site initiative permitting 67 colleges the ability to offer Pell Grants to incarcerated individuals seeking a postsecondary credential.

#### Talking Points:

- Investing in postsecondary programs in correctional facilities has reduced prison expenditures, recidivism, and unemployment among formerly incarcerated individuals. It is a prudent and far-sighted investment.
- The vast majority of individuals who are currently incarcerated will be released at some point. However, comparatively low levels of academic attainment (only 64 percent of people who are incarcerated in federal and state prisons have a high school diploma, only 6% have earned a postsecondary degree) present additional challenges to employment after release. Offering additional secondary and postsecondary opportunities to the prison population can lead to greater levels of employment among those re-entering.

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<sup>2</sup> [https://www.rand.org/pubs/research\\_reports/RR266.html](https://www.rand.org/pubs/research_reports/RR266.html)

- Investments in postsecondary education for incarcerated individuals have a positive return on investment by reducing direct state prison expenditures and increasing employment rates among formerly incarcerated individuals.
- The “Second Chance” Pell experimental site created by the Obama Administration and continued by President Trump has produced valuable information on the benefits of Pell Grant eligibility for prisoners.

## SUPPORT STATE INVESTMENTS IN LOWERING THE COST OF COMMUNITY COLLEGE

Continued state disinvestment in higher education has negatively impacted college affordability, as tuition has risen in response to funding cuts. According to the College Board, the average tuition and fees at two-year public institutions has increased 47% (or \$1,190) over the past 20 years, when adjusted for inflation. The average annual cost of attendance (tuition, fees, room and board, transportation, course materials and other expenses) at a two-year public institution is now \$18,420. This amount is approximately triple the maximum Pell Grant award. Furthermore, overall state disinvestment is often exacerbated by an inequitable distribution of state per pupil spending across sectors. It is imperative that policymakers recognize these challenges and ensure that federal postsecondary education investments advance college affordability, rather than simply backfilling for reduced state support.

Congress should create a federal-state partnership to dramatically enhance college affordability and/or create tuition-free community college. Federal investments should incentivize states to maintain and increase their financial support of postsecondary education. Community colleges support legislation introduced in both chambers of Congress that create a new federal America’s College Promise program, and this legislation is included in House Higher Education Act reauthorization legislation (H.R. 4674, The College Affordability Act).

### Talking Points:

- Increasing federal need-based aid has a limited impact on college affordability if states subsequently disinvest in higher education. States should be incentivized to sustain and to enhance their support of higher education.
- Cuts in state support for postsecondary education often result in increases to tuition and fees, thus reducing the purchasing power of Pell Grants and other federal student aid.
- A national program to enhance community college student access and success will increase economic mobility and help sustain economic growth.
- The 21<sup>st</sup> century economy demands that virtually all citizens participate in postsecondary education. Eliminating or significantly reducing community college tuition will help attain this goal in an efficient, broad-based manner.
- State and local policies to enhance access to community college through tuition reduction or elimination have proven to be both popular and successful, but a national program will necessarily have greater impact.

## ENHANCE TRANSPARENCY AND DATA

Since 2008, the Department of Education has been prevented by statute from collecting individual-level data on student outcomes. AACC and ACCT strongly support overturning this ban and creating a national student unit record data system that accurately tracks completion and transfer and well as the earnings of graduates. Current federal student data collection is piecemeal, overlapping, and generally inadequate. Some states have their own comprehensive student-level data systems; however, the absence of a federal system has resulted in an incomplete picture of student outcomes at a national level. The new unit record data system should follow students between institutions and reflect the actual course of community college students, who are often older, enrolled part-time, and have family responsibilities.

AACC and ACCT support bipartisan legislation, the College Transparency Act (S. 800, H.R. 1766), that would create a unit record data system, and such legislation is included in the College Affordability Act (H.R. 4674). Improved data would help students, policy makers and college leaders alike to make more informed decisions.

### Talking Points:

- A unit record data system would enhance the accountability of the nation's postsecondary education system. It would allow prospective students as well as policymakers to make better decisions about investments in postsecondary education.
- Congress should create a formal completion rate of 300% of "normal time" for community college programs (6 years for an AA degree), to accurately reflect the student population enrolled at these institutions (Time for Completion Act, S. 3115, H.R. 3354).
- Linking the postsecondary education data system to federal wage records would finally enable prospective students to be savvy consumers about which higher education program provides the greatest economic opportunity.
- A unit record data system will reduce administrative costs by eliminating redundancy in the data currently reported to federal, state, local and private entities.

## INVEST IN EDUCATION AND WORKFORCE DEVELOPMENT

### GENERAL BACKGROUND

In 2019, Congress passed a budget deal that set spending caps for all discretionary programs in fiscal years (FY) 2020 and 2021. The budget provided a \$24 billion increase in non-defense discretionary programs in FY 2020. This resulted in many programmatic increases in community college programs of interest. The deal provides for a comparatively modest increase of \$5 billion for non-defense discretionary programs in FY 2021 (less than 1% over FY 2020), so the voices of community college advocates will be crucial to maintaining or increasing funding for priority programs in FY 2021.

### SUPPORT STUDENT ACCESS AND SUCCESS

Strengthen the Federal Pell Grant program by providing additional aid to students and increase funding for the Federal Supplemental Educational Opportunity Grants (FSEOG), Federal Work-Study, TRIO, GEAR UP, and the Child Care Access Means Parents in School (CCAMPIS) programs.

- Pell Grants: The Federal Pell Grant program is need-based and grants are awarded to eligible undergraduate students who have not yet earned a bachelor's degree. Approximately 2.2 million community college students receive Pell Grants annually, with an average award of \$3,865. In the last

three fiscal years, Congress has increased the maximum Pell Grant award by a total of \$425, to \$6,345 for the 2020-2021 academic year, roughly keeping pace with inflation. It has achieved this by utilizing prior year surplus funds produced from declining program costs. Congress also has tapped this reserve to pay for other programs.

Congress should increase the maximum award by at least an amount that would keep pace with inflation. Pell Grants cover expenses beyond tuition and fees, including books and living expenses, and many community college students rely on the maximum award to meet these costs. Community college advocates should stress that Congress should cease using Pell reserve funds for purposes outside the program itself. The reserve funds are essential to mitigating future increases in program costs without decreasing student eligibility, which happened twice in the last decade when there were program shortfalls.

- Other Federal Student Assistance Programs

The following programs are essential to community college students. Congress should make every effort to keep these programs at least level with inflation increases in FY 2021.

- Federal Supplemental Educational Opportunity Grants (FSEOG): The FSEOG program provides an additional source of grant aid for low-income students beyond Pell Grants. Funds are combined with other types of grant, loan and work-study assistance to meet total educational expenses. Pell Grant recipients receive priority for FSEOG awards, which range from \$100 to \$4,000 annually. Nearly 370,000 community college students receive aid from the FSEOG program annually. This program is currently funded at \$865 million, of which approximately 17% goes to community college students.
- Federal Work-Study: The Federal Work-Study program leverages resources from schools and the private sector to provide opportunities for students to earn money to pay for college. The program also is designed to encourage students receiving federal financial aid to participate in community service. In addition to providing self-help assistance to students, Federal Work-Study funds help support partnerships between the federal government, postsecondary schools, students, and communities. This program is currently funded at \$1.18 billion, approximately 13% of which goes to community colleges.
- Child Care Access Means Parents in School (CCAMPIS): The CCAMPIS program supports the participation of low-income parents in postsecondary education through the provision of campus-based child care services. Child care is essential to the academic success of thousands of community college students; 32% of all community college Pell Grant recipients have dependents. This program is currently funded at \$53 million, but much more needs to be done in this area. Approximately half of the most recent CCAMPIS awards were made to community colleges.
- TRIO: The Federal TRIO programs (TRIO) are outreach and student services programs designed to identify and provide services for individuals from disadvantaged backgrounds. TRIO includes eight programs targeted to serve and assist low-income individuals, first-generation college students, and individuals with disabilities to progress through the academic pipeline from middle school to post-baccalaureate programs. Many community colleges receive grants for Student Support Services and Upward Bound. TRIO programs are funded overall at \$1.09 billion.
- Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP): GEAR UP works to increase income-eligible students' academic skills, help them graduate from high

school and then enroll in college. The program also helps students persist from their first year to second year of college. This program is funded at \$365 million.

#### STRENGTHEN UNDER-RESOURCED INSTITUTIONS

Increase funding for institutional aid programs, including: Title III-A Strengthening Institutions; the Title V Developing Hispanic-Serving Institutions, Strengthening Historically Black Colleges and Universities, Predominantly Black Institutions; and other programs serving traditionally underrepresented populations.

Community colleges make up a substantial percentage of the grantees in all these programs. They are used to build capacity and support for often under-resourced institutions that serve a large portion of students who have been underrepresented in higher education.

- Grants Supporting MSIs, HBCUs, and Tribal Colleges: Minority Serving Institutions (MSIs): MSIs are colleges and universities serving a large percentage of minority students, including: Hispanic-Serving Institutions; Asian American and Native Pacific Islander-Serving Institutions; Native American-Serving Nontribal Institutions; Predominately Black Institutions; Native Hawaiian-Serving Institutions; and Alaska Native-Serving Institutions. Historically Black Colleges and Universities (HBCUs) and Tribal Colleges are also eligible for grant funding based on their historical mission, though they are not designated as MSIs.
- Strengthening Institutions Program: The Strengthening Institution Program, also known as Title III, Part A, provides competitive grants for institutions with relatively limited resources that serve high percentages of low-income students. Funds may be used for improving academic programs and student services, faculty development, instructional facilities, technology, and establishing endowment funds. This program is currently funded at \$108 million, following a welcome increase in FY 2020.

#### BOLSTER JOB TRAINING AND CAREER AND TECHNICAL EDUCATION

Increase funding for Perkins Career and Technical Education (CTE) programs, Adult Education State Grants, state grants under the Workforce Innovation and Opportunity Act (WIOA), and NSF's Advanced Technological Education (ATE) program to support needs in these areas.

- Strengthening Community College Training Grants: Funded through the WIOA dislocated workers national reserves, SCCTG is a new \$40 million program to support community college job training programs, similar to the Trade Adjustment Assistance Community College and Career Training (TAACCCT) grants and the Community-Based Job Training Grants. The program will make grants between \$1.5 million and \$5 million to individual community colleges and community college-led institutional consortia. The program has all the hallmarks of the success experienced in earlier programs and Congress should provide a substantial program increase in FY 2021.
- Carl D. Perkins Career and Technical Education Act: The Perkins Act supports improvements in career and technical education at community colleges, helping them to improve all aspects of cutting-edge career and technical education programs. Funds are used to improve curricula, purchase equipment, integrate vocational and academic instruction, and foster links between colleges and industry. The state grant program is funded at \$1.283 billion. Postsecondary institutions receive approximately 40% of that amount, most of which goes to community colleges. The new authorization of the Perkins Act, otherwise known as "Perkins V," seeks to better focus CTE funds on the needs of business and industry and will make the program even more effective.



- **Workforce Innovation and Opportunity Act (WIOA):** The Workforce Innovation and Opportunity Act (WIOA) authorizes funding for programs to support workforce training and assistance to individuals with barriers to employment. This includes state grants to support adult, dislocated, and youth populations. Under WIOA, states and localities must develop workforce plans to identify areas of economic demand and support training programs in high demand fields. Despite very low unemployment, investment in workforce training is necessary to ensure workers have the requisite skills to attain employment with livable wages. State grants supporting adult, dislocated, and youth populations are currently funded at \$2.82 billion. This funding has lost tremendous ground to inflation, thereby contributing to the national skills gap.
- **Adult Basic Education and Literacy:** Under the Adult Education and Family Literacy Act (AEFLA), grants are provided to states to support programs that help adults become literate, obtain the knowledge and skills necessary for employment and self-sufficiency, obtain a secondary school diploma, and transition to postsecondary education and training. The program also helps individuals who are English language learners improve their English proficiency. Funded at \$671 million, state grants under AEFLA support more than 1.5 million students annually. Demand for these educational opportunities far surpasses availability. Wait lists for services remain common, while 36 million adults in the U.S. lack basic skills in numeracy and literacy according to the OECD.
- **Advanced Technological Education (ATE) Program:** The National Science Foundation's ATE program serves as the primary source of federal support for technical education, an often overlooked but crucial aspect of the STEM workforce. The ATE program provides students with the core knowledge and skills required in the changing economy, such as biotechnology, alternative energy, and nanotechnology. The program is equally prized by the large number of business partners that work with ATE grantees and employ their graduates. This program is currently funded at \$75 million, a \$9 million increase over its funding level for the past several years.

## SUPPORT DREAMERS

### ASSIST STUDENTS IMPACTED BY THE DACA RESCISSION

Despite an ever-changing political and legal landscape, community colleges remain committed to the enactment of legislation that would provide Dreamers - undocumented individuals brought to the United States as children - with a path to citizenship. Last year, under its new Democratic leadership, the House passed the Dream Act (H.R. 6), but there was no action on this issue in the Senate. Should the Supreme Court rule in favor of the Trump administration later this year and allow it to rescind the Deferred Action for Childhood Arrivals (DACA) program, the Dreamers/DACA issue will once again be on Congress's front burner.

As beneficial as the DACA program is, legislation is necessary to achieve the ultimate solution that Dreamers deserve -- a path to permanent legal status and, eventually, citizenship. Dreamers are Americans in every way but official status - they were brought to this country at a young age, and many have little or no connection to their countries of origin. Community colleges educate thousands of Dreamers who are striving to attain a higher education.