

VIRTUAL  
**COMMUNITY COLLEGE**  
NATIONAL LEGISLATIVE SUMMIT

**COMMUNITY COLLEGE LEGISLATIVE PRIORITIES  
BACKGROUND BRIEFING INFORMATION**



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**COMMUNITY COLLEGE**  
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## STRENGTHEN THE FEDERAL PELL GRANT PROGRAM

### SHORT-TERM PELL

The Federal Pell Grant program is the 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.

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 in-demand jobs and help lower-earning individuals boost their incomes.
- The bipartisan Jumpstart Our Businesses by Supporting Students (JOBS) Act establishes Pell Grant eligibility for short-term programs. The cost of this eligibility change is extremely modest in relation to the program's overall cost.
- In the 116<sup>th</sup> Congress, the JOBS Act (S. 839) was sponsored by Senators Kaine (D-VA) and Portman (R-OH), and a companion bill in the House (H.R. 3497) was led by Representatives Richmond (D-LA), Levin (D-MI), Horsford (D-NV), Gonzalez (R-OH), Herrera Beutler (R-WA), and Katko (R-NY). The bill is expected to be reintroduced in the 117<sup>th</sup> Congress.
- *Provide an example of programs at your college that would benefit from this change.*

### INCREASE THE PELL 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 Pell Grant program is essential to ensuring access and success for millions of low-income students. In recent years, Congress has increased support for the Pell Grant program through the 2008 reauthorization of the Higher Education Act, the American Reinvestment and Recovery Act of 2009, the Health Care and Education Reconciliation Act of 2010, and the annual Appropriations Process.

Despite these investments, the Federal Pell Grant program continues to fall short of covering students' full cost of attendance. While the maximum award for the current academic year is \$6,495, according to the College Board, the average cost of attendance for a full-time community college student is \$18,550 (\$3,770 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.

Congress should once again increase the maximum award in FY 2022 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 student and reduces the need for borrowing.
- Pell Grants help expand postsecondary access, therefore, lowering the equity gap between low-income students and those with greater financial means.
- Increasing the maximum award increases awards for all Pell recipients, including part-time students. It also increases the pool of students eligible to receive Pell Grants.

## ESTABLISH A FEDERAL COLLEGE PROMISE PROGRAM TO ELIMINATE COMMUNITY COLLEGE TUITION

AACC and ACCT continue to enthusiastically support federal policies that would eliminate community college tuition for students. Public attention on the issue was catalyzed in early 2015 by former President Obama’s “America’s College Promise” (ACP) proposal. While the ACP legislation did not gain traction in Congress, it sparked scores of state and local programs embodying its principles. Nevertheless, the proliferation of these programs is not a substitute for a national initiative, particularly one that provides “first dollar” support.

Eliminating community college tuition would serve two compelling functions. First, it would enhance community college access and success by making education much more affordable. Even at low-tuition community colleges, financial barriers, which often extend far beyond tuition, remain acute and an obstacle to program completion. The ongoing COVID-19 pandemic has highlighted and exacerbated this reality. Community colleges support a “first dollar” policy for Promise-type programs that fund the tuition portion of students’ education and would allow students to use existing federal and state grant funds for expenses beyond tuition (as in the ACP). Such programs would provide real financial benefit to the neediest students and others.

Eliminating community college tuition would also serve to dramatically communicate to the public that community college is in fact for everyone and should be a natural step from high school in the education continuum. This messaging has been a key element of the success of many Promise-type programs. And the reality is that in today’s economy a postsecondary credential is generally the minimum level of attainment required for family-sustaining employment. Those with high school diplomas only continue to see declining real wages.

The basic features of the ACP proposal were incorporated into the College Affordability Act (CAA), approved by the House Education and Labor Committee in late 2019. That proposal requires a 1 to 3 state/federal match, in exchange for substantial federal support and a commitment to zero community college tuition for

most students for their first three years. The legislation contains other requirements for states and institutions, and this will need to be examined carefully in the legislative process. AACC and ACCT also want to see this investment in more affordable education coupled with an investment in student success.

The basic federal-state partnership embodied in ACP has been reflected in other proposals. In some of these proposals, as well as the Biden-Harris platform, four-year colleges are included, though under different terms than community colleges. Bringing four-year institutions into the fold would likely draw some political support, but it would also add substantial cost, given that the average price of tuition at four-year public college tuitions is three times the average price of community colleges.

Community colleges are eager to see the College Promise concept enacted as soon as possible. They welcome the Biden administration's support for ACP and stand ready to advocate for its enactment. This could occur through the Higher Education Act (HEA) reauthorization or in stand-alone form. Advocates are encouraged to speak up for this dramatic step forward on behalf of community college students.

#### 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 21st 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.

## SUPPORT STUDENT ACCESS AND SUCCESS

Programs that provide additional financial aid to students and direct funding for colleges are essential to ensure student access and success. In recent years, programs that benefit community college students have received modest funding increases through the Appropriations Process. Congress should bolster funding in FY2022 for key programs that help support community college students, including Federal Supplemental Educational Opportunity Grants (FSEOG), Federal Work-Study, TRIO, GEAR UP, and the Child Care Access Means Parents in School (CCAMPIS) program.

- **Federal Supplemental Educational Opportunity Grant (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 \$880 million, of which approximately 17% goes to community college students.

- **Federal Work-Study (FWS):** 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 \$1.190 billion, approximately 13% of which goes to community colleges.
- **Federal TRIO programs (TRIO):** TRIO programs 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 \$1.097 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 \$368 million.
- **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 and has become even more essential in light of the current pandemic. This program is currently funded at \$55 million, but much more needs to be done in this area.

In addition to existing programs, the federal government should create a new students success program specifically targeted to community college students. The federal government makes invaluable investments in higher education institutional assistance programs, many involving community colleges. However, none is focused exclusively on the most basic institutional mission: student success. Increasingly, data-driven, effective student success intervention strategies have been identified, such as providing intensive academic and career counseling, guided pathways, and improved access to basic needs services. Yet, many community colleges lack the adequate resources to implement such intervention strategies.

Initiative funding should be targeted to students who likely have fewer individual resources that are necessary to succeed in college—including students who are first in their family to attend college, low-income, and from traditionally under-represented and under-served groups—in order to support their persistence and degree completion. Funding should be made available both as grants for students and directly to colleges.

Federal initiatives focused on community college students' success have been proposed in the past, including in the 2019 College Affordability Act (CAA) introduced by the House Education and Labor Committee and former President Obama's 2009 American Graduation Initiative.

#### Talking Points:

- Community college students benefit greatly from federal programs that help them offset costs associated with meeting their educational goals. As the nation moves out of the pandemic, community colleges are likely to play an important role in the economic recovery.
- Programs that provide community college students with financial aid, supportive services and academic guidance are more critical to student success than ever in light of the COVID-19 pandemic.
- Congress should make every effort to keep funding for the FSEOG, FWS, TRIO, GEAR UP and CCAMPIS programs at least level with inflation increases in FY2022.
- The federal government should create a new student success initiative focused on community colleges, modeled after proposals such as those included in the House CAA and former President Obama's American Graduation Initiative.

## STRENGTHEN UNDER-RESOURCED INSTITUTIONS

Congress should support increased funding for institutional aid programs, including: Title III-A Strengthening Institutions; the Title V Developing Hispanic-Serving Institutions (HSIs), Strengthening Historically Black Colleges and Universities (HBCUs), Predominantly Black Institutions (PBIs); and other programs serving traditionally under represented 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. Colleges use these funds for a wide variety of purposes to enhance their educational programs and solidify their other aspects of institutional operations. In recent years, many funded initiatives have emphasized student success.

Congress has shown their support for these programs through annual appropriations increases and by providing additional funds to them through the Coronavirus Aid, Relief and Economic Security (CARES) Act and the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA).

Federal policymakers should continue to bolster funding for:

- **Grants Supporting MSIs, HBCUs, and Tribal Colleges:** 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. 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 Institutions 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 \$109 million. Advocacy for this program is especially important because community colleges are a substantial portion of the grantees and because this program, unlike the other Title III programs, does not have a natural, demographic constituency.

Talking points:

- Federal institutional aid programs, including grants for Minority Serving Institutions (MSIs) and the Strengthening Institutions Program (SIP), help institutions expand educational opportunities for low-income and underrepresented students.
- Institutional aid funds for MSIs and under-resources institutions are more vital than ever in light of the significant enrollment drops and revenue losses at community colleges in recent years and accelerated by the pandemic.
- Congress should make every effort to provide robust funding for these programs in FY2022 appropriations funding legislation and future pandemic relief packages.

## BOLSTER JOB TRAINING & CAREER AND TECHNICAL EDUCATION

Federal policymakers should invest in valuable workforce and adult education programs, including 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.

- **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 \$1.335 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):** 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. 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 \$2.85 billion. This funding has lost tremendous ground to inflation, thereby contributing to the national skills gap.
- **Adult Basic Education and Literacy Act (AEFLA):** Under 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 \$689 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, an amount level with the prior year.

Talking points:

- Community colleges help prepare students and workers for jobs in in-demand industries through career and technical education programs, workforce-oriented programs, and adult basic education programs.
- Federal grants authorized by the Perkins Career and Technical Education (CTE) Act, the Workforce Innovation and Opportunity Act (WIOA), the Adult Education and Family Literacy (AEFLA) and the Advanced Technological Education (ATE) program help community colleges foster relationships with local industries, support adults and dislocated workers and provide students with the tools to compete in a changing economy.
- Congress should make every effort to provide robust funding for these programs in the FY2022 appropriations process.

## SUPPORT COMMUNITY COLLEGES IN PANDEMIC RECOVERY AND ECONOMIC STIMULUS LEGISLATION

President Biden and Congressional Democrats are strongly committed to enacting additional funding legislation to help the nation recover from the pandemic. AACC and ACCT believe that this legislation should both provide assistance to financially-strapped colleges and expand their capacity to deliver necessary workforce training.

Before taking office, President Biden proposed a \$1.9 trillion COVID-19 relief plan that included money for states and localities, vaccination distribution and COVID-19 testing, increased and extended unemployment insurance, and additional education funding (see below). Democrats have other, longer-term stimulus priorities, including infrastructure projects and clean energy initiatives.

While President Biden and Congressional Democrats have expressed a desire to enact bipartisan relief legislation, their proposal's lofty cost is unlikely to draw enough Republican support to move in the Senate. Unless Democrats are able to eliminate the Congressional filibuster rule, they are expected to use the budget

reconciliation process to advance the legislation, which only needs a simple majority to clear the upper chamber. Budget reconciliation has been used to both parties, most recently by the Republicans to enact the 2017 tax legislation. Prior to that, the Democrats used reconciliation to enact parts of the Affordable Care Act (ACA). Because of their razor-thin majority in the Senate and tight House edge, Democrats face a very high hurdle in passing a reconciliation measure. Any Democratic defection in the Senate will have to be offset by Republican support, and the Democratic caucus has disparate views about appropriate economic medicine.

Reconciliation is limited to provisions that have a direct budgetary impact, either mandatory spending, taxes, or changes to the debt ceiling. Thus, it excludes annual appropriations such as Pell Grants or the Carl Perkins Act. Also, reconciliation cannot be used to create new programs. (“Reconciliation” itself refers to reconciling spending to budget targets and was originally devised with a much more limited scope than it gained over time.) Reconciliation was used to fund the Trade Adjustment Assistance Community College and Career Training (TAACCCT) program, which was already in statute. (Funding for TAACCCT was passed as part of the ACA.).

Regardless of the legislative process used, community colleges support inclusion of the following elements in additional pandemic recovery and economic stimulus legislation:

### **ADDITIONAL FUNDING FOR THE HIGHER EDUCATION EMERGENCY RELIEF FUND (HEERF)**

Community colleges seek an additional \$97.3 billion for higher education institutions and students in any forthcoming pandemic legislation. This would provide \$120 billion total through the Coronavirus Relief and Response Supplemental Appropriations Act (CRRSA) and succeeding legislation, which is what the higher education community has formally requested. Late this summer, the higher education sector estimated that the overall costs of reopening this fall, and related expenses, was \$74 billion. This was in addition to \$46 billion in expenses, lost revenue and increased student need that had already been incurred. These two amounts are the basis for the \$120 billion request, compared to CRRSA’s \$22.7 billion. Most significantly for community colleges, the \$120 billion figure does not include incurred and anticipated state budget cuts. Furthermore, the national average of a 10% community college fall enrollment decline was more than twice that in any other sector.

President Biden’s proposal includes \$170 billion for education, but only \$35 billion of that is for higher education. Community college advocates should urge their members of Congress to support the additional \$97.3 billion requested by higher education. This must be accompanied by strict maintenance-of-effort provisions to ensure federal funds are not offset by state budget cuts.

### **COMMUNITY COLLEGE-LED JOB TRAINING INITIATIVE**

AACC and ACCT support a large-scale, community college-led job training initiative to help the nation recover economically from the pandemic and to narrow the ongoing skills gap.

The pandemic has taken a devastating toll on U.S. employment, concentrated on lower-skilled workers. As of December, the economy has lost nearly 10 million jobs since last February. While some of these jobs will likely return when the pandemic is controlled, many others are gone permanently, leaving millions of lower-skilled workers in need of workforce education to pursue other opportunities.

Prior to the pandemic, seven million jobs were unfilled, with an increasing percentage of new jobs requiring some form of postsecondary education, if not necessarily a baccalaureate degree. Community colleges are

well-positioned to help address this skills gap. They offer thousands of programs attuned to the needs of business and industry, from short-term non-credit courses to applied baccalaureate degrees. Community colleges also prepare workers for industry certifications, and often embed these credentials into their own curricula. A new or revived program could also be linked to other administration and Congressional priorities, including infrastructure and clean energy.

The last two administrations have recognized community colleges' vital contributions to the nation's economy by implementing large-scale programs to help them create and expand innovative and effective workforce education programs. These programs were enthusiastically received by community colleges and helped them play a strong role in addressing the skills gap. The support recognized the high cost of workforce education programs, and the desirability of working closely with business.

The Trade Adjustment Assistance Community College and Career Training (TAACCCT) program provided \$1.9 billion in grants over four years, largely to community colleges and college-led consortia. The last grants were funded in 2014 and wrapped up last September. The funded projects enrolled approximately 500,000 students and awarded over 300,000 credentials. At nearly \$500 million per year over four years, TAACCCT was the largest-ever direct federal investment in community college workforce training capacity. It followed on the Community-Based Job Training Grants (CBJTG) program that was proposed by the President George W. Bush and funded at \$125 million per year.

Over the last year, community college-led training programs have been included in several pending bills, but none were enacted. These included programs in the House Democrats' Relaunching America's Workforce Act and the Senate Democrats' Coronavirus Child Care and Education Relief Act. The bipartisan Access to Careers Act served as the basis for each of those programs. The Department of Labor's Strengthening Community Colleges Training Grants (SCCTG) program is now in its second year and shows great promise, but is funded at just \$45 million.

If the stimulus legislation moves forward as a regular bill, i.e., outside the reconciliation process, any of these programs could deliver training funds to community colleges. However, should reconciliation be deployed, the leading (and, for budget process reasons, perhaps only) option is to refund the TAACCCT program, since its authorization is still on the books.

#### Talking points:

- Future stimulus or economic recovery legislation considered by Congress should provide pandemic-related aid for higher education institutions and expand community colleges' capacity to deliver necessary workforce training.
- Any forthcoming pandemic legislation should include an additional \$97.3 billion in aid for higher education institutions and students.
- Congress should also include a large-scale, college-led job training initiative similar to the TAACCCT grant program in future recovery legislation. Such an initiative would help community colleges create and expand vital workforce education programs.

## PROVIDE A PATHWAY TO CITIZENSHIP FOR DREAMERS AND DACA STUDENTS

Despite an ever-changing political and legal landscape, community college 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. During the 116<sup>th</sup> Congress, under Democratic leadership, the House passed the American Dream and Promise Act (H.R. 6), but there was no action on this issue in the Senate.

In June 2020, the Supreme Court ruled in favor of preserving the Deferred Action for Childhood Arrivals (DACA) program following the Trump Administration's efforts to terminate the program. The program has allowed nearly 800,000 Dreamers to continue to safely live and work in the U.S.

While the DACA program is extremely valuable, legislation is crucial for establishing a path to permanent legal status and, eventually, citizenship for Dreamers. The Biden Administration has pledged to work with the 117<sup>th</sup> Congress to enact comprehensive immigration legislation that would include a more permanent solution for Dreamers.

### Talking Points:

- Community colleges serve thousands of Dreamers who are striving to attain a higher education.
- While the Deferred Action for Childhood Arrivals (DACA) program currently protects Dreamers from the threat of deportation, a more permanent solution is necessary.
- Congress should pass legislation that establishes a path to permanent legal status and eventually citizenship for Dreamers and other undocumented students.

## INVEST IN BASIC NEEDS SUPPORTS FOR COMMUNITY COLLEGE STUDENTS

The true cost of attending community college extends beyond the price of tuition and direct educational expenses. Most community college students experience unmet financial need to pay for necessities such as food, housing, transportation, child care, and medical expenses. Congress should enact policies that allow financially disadvantaged community college students to access supportive services to meet their basic needs and remove educational barriers to enrollment and persistence. Students' basic needs insecurities have become more severe during the COVID-19 pandemic and resulting recession.

Critical federal programs for low-income students facing basic needs insecurities include the Supplemental Nutrition Assistance Program (SNAP) and Child Care Access Means Parents in School (CCAMPIS). Community colleges can also align their basic needs services with workforce education and training through federal programs, such as SNAP Employment and Training (E&T).

ACCT and AACC endorsed the Basic Assistance for Students in College (BASIC) Act, introduced in the 116<sup>th</sup> Congress in the Senate by former Senator Kamala Harris (D-CA) and in the House by Representative Norma J. Torres (D-CA). The BASIC Act instructs the U.S. Department of Education (ED) to provide grants to colleges in order to meet students' basic needs including food, housing, transportation, and health care. The bill also includes provisions to improve students' access to federal programs, such as Medicaid and SNAP, for which eligibility requirements and insufficient information current create barriers to participation.

## FOOD AND HOUSING INSECURITY

According to a 2018 survey by the Hope Center for College, Community, and Justice, nearly half of community college students experience food and housing insecurity. Many community colleges have sought to address students' food needs by setting up on-campus food pantries. Community college students often struggle to access the federal SNAP program, due to strict eligibility requirements for students and lack of information—as documented by a 2019 U.S. Government Accountability Office (GAO) report.

To support students access affordable housing, some community colleges have built on-campus housing or provide rental assistance. More institutional support is needed for the community college sector to provide food and housing supports at-scale, remove strict eligibility requirements, and provide better information.

## CHILD CARE

Over 25% of community college students are parents or primary caregivers. The responsibility of child care can be especially time consuming for parents with young children and single parents. The federal Child Care Means Parents in School (CCAMPIS) is a cornerstone program to support low-income students with children balance school and family responsibilities. Using CCAMPIS funds, colleges can provide student parents financial assistance to access either on-campus or community-based child care options. Despite recent funding increases, demand among colleges and students surpasses available funding. In addition, a 2019 GAO report found that colleges often do not provide students with enough information to access federal programs. As a result, child care access remains a top barrier for community college students to complete their education.

## MENTAL HEALTH SERVICES

Students' mental health struggles are a rising concern for community colleges. A 2016 Healthy Minds Network supported by ACCT found that less than half community college students who were experiencing mental needs were receiving supportive services. Historically, due to financial constraints, community colleges have faced challenges offering on-campus mental health supports and making referrals to community-based providers. Furthermore, little research has been conducted to fully understand the scope of community college students' mental health needs. During the COVID-19 pandemic, mental health needs are growing as many students experience personal and family physical health concerns, deaths, job losses, and racial injustices.

## CONNECTING BASIC NEEDS SERVICES WITH WORKFORCE EDUCATION AND TRAINING

During the COVID-19 pandemic and resulting recession, community colleges have a key opportunity to align their strategies for workforce development and support students' basic needs. Many low-income students who seek to gain education and skills for new jobs or to advance their careers also face challenges to pay for necessities. The SNAP E&T program provides benefits for eligible community college students to access workforce education and training and receive supportive services, including academic and career counseling, child care, and referrals to community-based organizations.

Talking points:

- Federal financial aid programs for low-income students, such as the Pell Grant, fall short of covering students' full cost of attending college, due to the high price of basic necessities such as food, housing, transportation, child care, and medical expenses. Therefore, the federal government must expand basic needs services to ensure students are not deterred from pursuing their education.
- ACCT and AACC endorsed the BASIC ACT, introduced by the House and Senate, which instructs the U.S. Dept. of Education to provide grants for students' basic needs.
- Congress must invest in and expand eligibility for college students to participate in existing federal programs including CCAMPIS, SNAP food assistance, and SNAP Employment and Training.
- Addressing mental health is a growing concern for community colleges and their students. The federal government should direct funding to allow community colleges better provide on-campus supportive services or refer students to community-based providers.

## INCREASE TAX BENEFITS FOR LOW-INCOME STUDENTS

The 117<sup>th</sup> Congress's tax writers have a great opportunity to make important advances for community college students by targeting assistance on students of more limited financial means. Potential budget reconciliation legislation provides an opportunity for the following AACC and ACCT backed proposals to be adopted relatively early in 2021.

### END TAXATION OF PELL GRANTS TO HELP LOW-INCOME COMMUNITY COLLEGE STUDENTS

AACC and ACCT strongly support making Pell Grants non-taxable. Taxing financial support targeted on financially strained college students undermines the program's basic purpose and further diminishes the purchasing power of the vital financial need program.

The taxability of Pell Grants also negatively impacts students' eligibility for the American Opportunity Tax Credit (AOTC), which provides a maximum tax credit of \$2,500 a year to college students and their parents. The AOTC can only be allocated to tuition and related expenses (QTRE) and does not factor for Pell Grant tax-related costs.

### RESTRUCTURE THE LIFETIME LEARNING TAX CREDIT

Community colleges also feel the Lifetime Learning Tax Credit (LLC) needs to be altered to better help adults participate in reskilling and upskilling opportunities. The LLC is available to those who do not qualify for the American Opportunity Tax Credit (AOTC), which is available to undergraduate students enrolled half-time or more. Rather, the LLC primarily benefits part-time, non-credit, and post-baccalaureate students.

Unfortunately for community college students, the up to \$2,000 tax credit covers just 20% of a student's tuition and fees. Therefore, a student's tuition must be \$10,000 or more for them to receive the full credit. This means that the LLC mostly benefits those attending more expensive programs. Those attending low-cost community colleges, especially those focusing on skills upgrades, get very little benefit.

Community colleges propose that the LLC be modified to cover 100% of a student's first \$2,000 of qualified tuition and fees and better targeted to those participating in workforce-oriented programs. This will focus assistance on where it is needed most – those intent on increasing their economic prospects.

Talking points:

- Ending the taxation of Pell Grants will help low-and-middle income students retain more of their grant support, thereby reinforcing the goals of the Pell Grant program.
- In the 116<sup>th</sup> Congress, Rep. DeSaulnier (CA) introduced H.R. 3803, The Pell Grant Flexibility Act of 2019, which would exclude Pell Grants from gross income for tax purposes. Congress should include language from this legislation in any future comprehensive tax reform bill.
- Congress should also restructure the Lifetime Learning Tax Credit (LLC) to allow more part-time, non-credit students to benefit from the credit.
- The LLC should cover 100% of the first \$2,000 of a student's qualified tuition and fees, to help target the credit to students enrolled in workforce-oriented programs.