



# The Board of Governors of the California Community Colleges

PRESENTED TO THE BOARD OF GOVERNORS

DATE: May 6-7, 2013

SUBJECT: State and Federal Legislative Update		Item Number: 4.2	
		Attachment: Yes	
CATEGORY:	Government Relations	TYPE OF BOARD CONSIDERATION:	
Recommended By:	 Michael Magee, Interim Vice Chancellor	Consent/Routine	
		First Reading	
Approved for Consideration:	 Brice W. Harris, Chancellor	Action	
		Information	X

**ISSUE:** The Board of Governors will be provided with an update on both state and federal activities.

**BACKGROUND:** The state update will be provided at the Board of Governors meeting. The federal update is provided as an attachment to this item. That status of state legislation often changes significantly during this period, and presenting the state update at the meeting ensures the information is up to date. Federal action on legislation and budget activities progresses according to a different process, and the federal update is unlikely to change significantly by the Board of Governors meeting.

**RECOMMENDED ACTION:** This item is recommended for Board discussion.



April 15, 2013

## Federal Update

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### **U.S. House of Representatives 2014 Budget Resolution**

Representative Paul Ryan (R-WI) released the House of Representative's 2014 Budget Resolution on March 12, 2013. The House went on to approve this budget in a 221-207 vote, with only 10 Republicans voting against it. The House Budget plans on balancing the Budget by 2023 without raising taxes. Major spending cuts would be put in place which would reduce the U.S. deficit by \$4.6 trillion over the next 10 years. In fiscal year 2014, the House Budget has set a government spending cap of \$966 billion of which \$414 billion will be the cap for nondefense discretionary funding.

This Budget changes the Pell Grant program in the following ways:

- 1) mandatory funding for the Pell Grant program would be eliminated, and instead would be a discretionary program;
- 2) the maximum Pell Grant award would be set at \$5,645 and will remain at that amount through 2023;
- 3) less-than-half-time students would be eliminated from the Pell Grant program;
- 4) schools will no longer receive \$5 per grant to administer and distribute the Pell Grant awards; and
- 5) an undetermined income limit will be placed on Pell grant recipients.

The House Budget will also eliminate mandatory funding for the Trade Adjustment Assistance Community College and Career Training Grant and the College Access Challenge Grants. As for workforce training, the House Budget would consolidate job-training programs based on reforms in the SKILLS Act (H.R. 803) and would provide for a career-scholarship fund. It would also change the program's accountability by tracking the type of training provided, the cost per trainee, employment after training, and whether the trainee secures a job in his or her preferred field. Representative Ryan's budget would also repeal President Obama's health-care reform law known as the Affordable Care Act.

### **U.S. Senate 2014 Budget Resolution**

On March 23, 2013 the Senate passed its first budget in four years by a vote of 50 to 49. Senate Budget Committee Chairwoman Patty Murray (D-WA) stated that, "the highest priority of the Senate Budget is to create the conditions for job creation, economic growth, and prosperity built from the middle out, not the top down. This is what people across the country say they want first and foremost, and this budget delivers on it." The Senate Budget contains \$975 billion in spending cuts and would raise taxes by \$975 billion over the next decade. \$960 billion would be directed to repeal and replace the sequester. It also turns off \$1.2 trillion in automatic cuts scheduled over nine years. As for higher education, this budget would allocate \$10 billion to invest in workforce training programs and would continue to fund the Workforce Investment Act, maintain automatic increases to the maximum award level for the Pell Grant program, and permanently extend the American Opportunity Tax Credit.

### **President Obama's 2014 Budget Proposal**

President Barack Obama's \$3.78 trillion 2014 budget proposal was released on April 10, 2013. His budget includes \$100 billion in new defense cuts, \$100 billion in nondefense agency cuts, and \$200 billion in cuts to mandatory spending. It would reduce the deficit by \$1.8 trillion over 10 years and would raise more than \$580 billion in new taxes from households earning over \$1 million per year. The education portion of the budget reflects the President's interest in education as an investment in the nation's economic competitiveness. The President's Budget increases discretionary spending for the Department of Education by 4.6 percent, to \$71.2 billion and provides funding to support an increase in the maximum Pell Grant award, which is projected to be \$5,735 for the 2014-15 academic year.

The President's budget creates a \$1 billion Race-to-the-Top fund to provide competitive grants to states that drive higher education reform and would provide incentives for states to do more to contain college costs. A First in the World program would be created and funded at \$260 million to spur cutting-edge innovations that decrease college costs and boost graduation rates. President Obama's budget would increase funding for the Work Study Program by \$150 million and would make permanent the American Opportunity Tax Credit. The President's Budget creates a Community College to Career Fund to be administered by the Departments of Labor and Education to provide \$8 billion to support state and community college partnerships with businesses and other stakeholders.

### **Other Congressional Community Colleges Bills of Interest**

#### **H.R. 357: GI Bill Tuition Fairness Act of 2013**

This bipartisan legislation introduced by Representative Jeff Miller (R-FL), Chairman of the House Veterans Committee, and ranking member Representative Mike Michaud (D-ME), would require schools eligible for GI Bill education benefits to give veterans in-state tuition rates even though they may not be residents of the states where the schools are located. This bill is currently in the House Veterans' Affairs Committee waiting to be heard.

#### **H.R. 359: CAMPUS Safety Act of 2013**

This bill, introduced by Representative Robert Scott (D-VA) would establish and operate a National Center for Campus Public Safety. The Center would: (1) provide quality education and training for public safety personnel of institutions of higher education and their collaborative partners, including campus mental health agencies; (2) foster quality research to strengthen the safety and security of institutions of higher education; and (3) serve as a clearinghouse for the identification and dissemination of information, policies, protocols, procedures, and best practices relevant to campus public safety, including off-campus housing safety, the prevention of violence against persons and property, and emergency response and evacuation procedures. This bill is waiting to be heard in the House Judiciary Committee.

#### **H.R. 798: Workforce Investment Act Reauthorization**

The Democrats introduced H.R. 798 by Representative John Tierney (D-MA), a bill that competes with H.R. 803 to reauthorize the Workforce Investment Act of 1998. H.R. 798 seeks to strengthen the United States workforce investment system through innovation, alignment and improvement of

employment, training, and education programs, and promotes national economic growth. Unlike H.R. 803, this bill does not consolidate funding streams, it maintains the community college representation on WIBs, and it authorizes President Obama's proposed \$8 billion Community College to Career Fund. H.R. 798 is in the House Education and the Workforce Committee awaiting to be heard.

### **H.R. 803: The Support Knowledge and Investing in Lifelong Skills Act (SKILLS Act)**

H.R. 803, also known as the SKILLS Act addresses statewide and local workforce investment systems and activities, identification of eligible training services providers, and use of funds for employment and training activities. This bill would facilitate greater collaboration with community colleges by allowing states to determine the standards required for eligible training providers and allows local boards to contract with community colleges directly to provide training to large groups of participants instead of an individual basis. H.R. 803 consolidates 35 existing streams of funding into a single Workforce Investment Fund. This is a Republican bill, introduced by Representative Virginia Foxx (R-NC) that passed out of the House Education and Workforce Committee with a 23-0 vote. No Democrats on the Committee voted on the bill because they had left the hearing earlier in protest from not being included in the drafting of the bill. This bill passed on the House floor 215-202, with only two Democrats in support. It is now being considered in the Senate Health, Education, Labor and Pensions Committee.

### **S. 3: Strengthen our Schools and Students Act**

Introduced on January 22, 2013 by Senator Harry Reid (D-NV) Senate Bill 3, among other things, would build on recent efforts to make higher education more affordable and to improve access and success for all students. It provides all teachers with support to ensure student success, including the creation of a new national Science, Technology, Engineering, and Mathematics (STEM) Master Teacher Corps to recognize and help retain STEM teachers and strengthen STEM education in public schools in the United States. This bill is on its second read in the Senate Health, Education, Labor and Pensions Committee.

### **S. 216: Tyler Clementi Higher Education Anti-Harassment Act of 2013**

Senator Frank Lautenberg (D-NJ) introduced Senate Bill 216 on February 4, 2013 to prevent harassment at institutions of higher education. It would authorize the United States Secretary of Education to award grants, on a competitive basis, to eligible entities to enable them to carry out authorized activities such as counseling or redress services to students who have suffered from harassment or students who have been accused of subjecting other students to such harassment; or to educate or train students, faculty, or staff of institutions of higher education about ways to prevent harassment or ways to address such harassment if it occurs. This bill is on its second read in the Senate Health, Education, Labor and Pensions Committee.