



December 15, 2014

Continuing Resolution Expires – \$1 Trillion Spending Bill Sent to the President

For the last two months, Congress has relied on a “Continuing Resolution” to fund the federal government and avoid a shutdown. These resolutions largely continue funding at the previous year’s levels even if needs and priorities have changed, and they make it difficult for federal agencies to plan effectively. Another short term measure was signed by the President to prevent a government shutdown which would have happened on December 17. However, a few days before the latest Continuing Resolution expired, the House and Senate passed a \$1 trillion spending bill that would fund the federal government through September for Fiscal Year 2015. After passage by the House, the vote in the Senate took place on Saturday, December 13. As of this writing, the spending bill is on its way to the President for his signature.

The House version has an important provision related to community colleges. It would partially reinstate federal financial aid eligibility for qualified ability-to-benefit (ATB) students enrolled in career pathway programs. Under the bill, students without a high school diploma or GED who are enrolled in recognized career pathway programs would have the opportunity to prove their 'ability-to-benefit' from higher education by passing an exam or successfully completing 6 credit hours. They would then be qualified for access to federal financial aid, including Pell Grants and the Direct Loan program. The reinstatement of eligibility goes into effect immediately; however the Pell Grant maximum award differs based on enrollment date. ATB students who enter a career pathways program prior to July 1, 2015 are grandfathered in and eligible for a full maximum Pell Grant award (currently \$5,730) for all subsequent years of enrollment. However, students enrolled after July 1, 2015 will only be eligible up to the maximum "discretionary base award" for the Pell Grant program, which is currently \$4,860. The differential in award levels was designed to minimize federal expenditures, and will add some financial aid complexity for future ATB students.

Higher Education Re-Authorization Introduced

As one of his final acts as a U.S. Senator, Tom Harkin of Iowa introduced S.2954. This bill includes priorities for Democrats such as year round Pell benefits for part-time and full-time students, a federal student unit record system which would vastly improve available information on the academic pathways, completion rates, transfer rates, and earnings of students. At this point in the session, the bill has very little chance of being passed but it does serve as a roadmap for where reauthorization might be headed in 2015.

House Selects Committee on Education and the Workforce Members for 2015

House Steering and Policy Committee Republicans and Democrats both selected committee chairs and ranking members. Congressman John Kline (R-MN) will return as Chairman of the House Committee on Education and the Workforce. Congressman Bobby Scott (D-VA) is expected to become the new Ranking Member for the House Committee on Education and the Workforce with the retirement of outgoing Ranking Member George Miller (D-CA). House subcommittee chairs and ranking members will be determined at a later date.