

October 21, 2016

OVERVIEW

The congressional committee hearing process for policy legislation moves at a much slower pace than the state legislative process. As a result, the status of congressional bills has not changed for months. Information on federal Bills of Interest will be provided in the next update should any of the measures move forward.

Spending Plan – Continuing Resolution

The federal fiscal year ended on September 30, but the House and Senate were only able to pass a Continuing Resolution through December 9, 2016, when they returned in September. Following the November 8 election, the House and Senate will need to pass a spending plan. Congress has not completed action on any of the federal appropriations bills. The areas of disagreement include funds to help the city of Flint, Michigan spending to combat the Zika virus, funding for the Department of Veterans Affairs and military construction projects. With the Pell Grant surplus of \$8 billion a potential target of interest, there is interest by the segments of higher education to advocate for using Pell Grants to increase awards, and for year-round Pell Grants.

Department of Education Terminates Accreditor/Senators introduce legislation

On September 22, 2016, the U.S. Department of Education announced they will terminate recognition of the Accrediting Council for Independent Colleges and Schools (ACICS). ACICS is the largest accrediting agency of private sector colleges and universities. ACICS oversaw the now-closed Corinthian Colleges and the ITT Technical Institute. ACICS said that it plans to appeal the decision. Also on September 22, 2016, Senators Elizabeth Warren (D-Massachusetts), Dick Durbin (D-Illinois) and Brian Schatz (D-Hawaii) announced that they are introducing the Accreditation Reform and Enhanced Accountability Act of 2016. The Accreditation Reform and Enhanced Accountability Act would:

- Require the Department of Education to establish standards for student outcome data (e.g. loan repayment rate, loan default rate, graduation rate, retention rate, student earnings, job placement rate, etc.) that accreditors must use when evaluating colleges, including minimum baseline thresholds for select outcomes metrics that colleges must meet in order to remain accredited.
- Safeguard access by giving accreditors the ability to evaluate college affordability and Pell student enrollment levels.
- Strengthen consumer protections by forcing accreditors to respond quickly to federal and state investigations and lawsuits regarding fraud, and by requiring accreditors to take action to protect students in the face of other warning signs of institutional instability.
- Increase transparency around accreditation decisions for students, families, and regulators.
- Clean-up conflicts-of-interest in college accreditation between accreditors and the colleges they accredit.
- Increase accountability by giving the Secretary more authority to terminate or fine accreditors that fail to do their job.