



SHEEO

STATE HIGHER EDUCATION EXECUTIVE OFFICERS ASSOCIATION

WICHE Federal Policy Update

November 18, 2021



Latest News

- SHEEO Meeting with Secretary Cardona
- The latest on the Budget Reconciliation Bill
- Enrollment
- Bipartisan Infrastructure Package
- Appropriations and Debt Ceiling
- U.S. Innovation and Competition Act (USICA)
- Vaccine Mandates
- Student Loans/Financial Aid

SHEEO Meeting with Secretary Cardona

- They are examining the maintenance of effort waiver requests, but no decisions yet
- Guidance on the vaccine mandates should come in a matters of weeks
- The Secretary will continue to push for free community college
- Acknowledged technical problems with the FAFSA
- See states as a key partner for advancing higher education goals, advancing equity
- Emphasized assistance to student loan borrowers



Latest News on Budget Reconciliation

- The bill still needs to pass the House, which is waiting for a CBO score. Full score expected later today or Friday. Moderates seem OK with voting for the package.
- House vote could come as early as Saturday
- The Senate has shifted focus on the National Defense Authorization Act (NDAA), which is being delinked from the competitiveness bill (U.S. Innovation and Competition Act-USICA)
- The reconciliation bill will likely be taken up by the Senate in December, Schumer hopes to have it on the floor before Christmas
- The bill needs to be examined by the Senate parliamentarian to ensure that it will comply with budget rules.
- The bill could change in the Senate, but dramatic changes are not expected
- Manchin still not yet on board

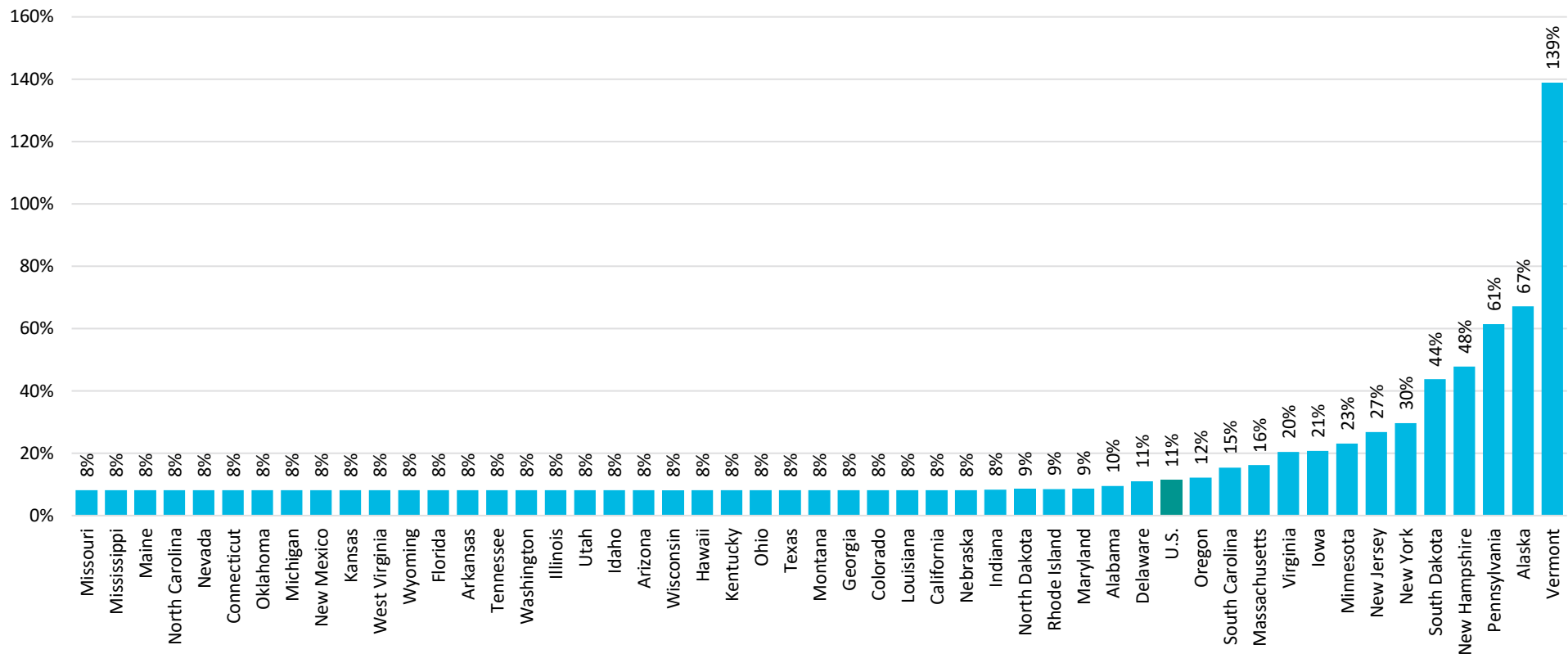




- Free Community College (“America’s College Promise”) removed from Build Back Better Framework
- Sens. Manchin, Sinema opposed the provision
- Within institutional-based associations, did not gain broad support outside of the community college associations
- Complicated policy that changed during the process
- Many remain unsure of expanded federal control in public higher education and increased investments in one sector of higher education

Required Percent Increase in Total State Support (2023-2024)

Includes Enrollment + Inflation



Assumptions: Median tuition per FTE (unweighted): \$4,677

Year 1: State funding % increase average: 11%

State funding per FTE increase average: \$358

Year 5: State funding % increase average: 15%

State funding per FTE increase average: \$1,057



Kevin Carey ✓
@kevincarey1



7/ Without a state/federal partnership tied to a target tuition price, everything about college affordability and indebtedness that is bad now will get worse, especially for students of color. The new Pell money will get swallowed up by the system in an instant.

8:32 AM · Oct 7, 2021 · Twitter Web App

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The Campaign to Double the Pell Grant Is Well-Intentioned, but Must Lead to Improved Affordability and Diversity

The Pell Grant program is popular with the public because it has been promoted—especially by private colleges—as money that “goes to the student” to help them afford higher education. It doesn’t really work that way, however. Pell Grant funds are paid directly to colleges, which include them in their pricing and financial aid strategies. Too often the Pell funds displace institution-given aid or tuition discounts, which means at the end of the day, the school has more revenue while the student’s costs are unaffected.

Pell Grants

- The Pell Grant maximum award would increase by \$550 for students at public and private, nonprofit institutions from 2022-23 through 2025-26.
 - This is a slight increase over the \$500 in the September package, but much less than the \$1,400 in the original proposal
 - #DoublePell coalition remains disappointed in the outcome
 - For-profit colleges excluded from the \$550 increase, which would be a change in direction
 - Another \$400 Pell Grant increase is likely coming via the annual appropriations process

Student Financial Aid Policy Changes

- DACA, temporary protected, and deferred enforced departure students would be eligible for Title IV financial aid until the end of the decade
- Pell Grants would not be included as taxable income
- When FAFSA simplification is fully implemented, means-tested benefit recipients within the last 24 months would receive an automatic -\$1,500 student aid index (max Pell)

Completion Grants

- \$500 million competitive grant program over FY2022-2030
- Eligible entity: State (50 states, DC, territories, and freely assoc. states), TCU, or “system of institutions of higher education”
- Matching Requirement (for state or system):
 - 10% year 2
 - 15% year 3
 - 20% year 4 and subsequent years
- Eligible entity must submit an application, show adequate progress, and implement evidence-based reforms or practices

Completion Grant Requirements

Feature	Description
Priority populations	Students of color, low-income students, students with disabilities, students in need of remediation, first gen college students, student parents and other underserved populations
Priority outcomes	To improve enrollment, retention, transfer, or completion rates or labor market outcomes
Adequate Progress	Demonstrate adequate progress in implementing or expanding evidence-based reforms and practices and improving the outcomes listed above among priority populations.

Evidence-Based Reforms and Practices

- Comprehensive academic, career, and student support services including mentoring, advising or case management
- Assistance in applying for and accessing direct support services, financial assistance, or means-tested benefit programs to meet basic needs
- Accelerated learning opportunities, including dual or concurrent enrollment, early college high school
- Reforming remedial or developmental education, course scheduling, or credit-awarding policies
- Improving transfer pathways

Completion Grants Appropriation in BBB

Appropriation	FY2022-FY2030*
Amount for states and systems of institutions	\$310M
Amount for TCUs	\$37.5M
Supplement for Evidence Tier 1	\$95M
Supplement for Evidence Tier 1 or 2	\$47.5M
Evaluation of effectiveness	\$10M
Total	\$500M

*authority to make grants will sunset in AY2026-27

Completion Grants Program: House Mark-up v. BBB Agreement

	House Mark-up Bill	Build Back Better
Eligible applicant	States and TCUs	States, TCUs, and system of institutions
Matching requirement	None	10%-20%
Funding	\$9 billion	\$500 million
Administrative set-aside	3% for administration, 3% for evaluation	\$10 million for evaluation
Requirements	Must be participant in free community college	No free community college requirement (ACP is no longer in BBB)

Key Points for Teacher Preparation

Programs
Grow Your Own
Teacher Residency
School Leadership
Hawkins Centers of Excellence
Personnel Development for Individuals with Disabilities
Native American Language Teachers and Educations

Amount: Before	Now
\$197,000,000	\$112,684,000
\$198,000,000	\$112,266,000
\$198,000,000	\$112,266,000
\$198,000,000	\$112,226,000
\$297,000,000	\$160,776,000
N/A	\$200,000,000

Key Points for Equity and Diversity in Higher Education

- **\$6 billion in mandatory appropriations to HBCUs, TCUs, and MSIs**
 - **\$470.6 million---Hispanic-serving institution STEM and articulation programs**
 - **\$470.6 million---HBCUs and Predominantly Black Institutions (85% and 15%, respectively)**
 - **\$141.1 million---Tribal Colleges and Universities**
 - **\$70.5 million---Alaska Native-serving and Native Hawaiian-serving institutions**
 - **\$23.5 million---Asian American and Native American Pacific Islander institutions**
 - **\$23.5 million---Native American-serving nontribal institutions**

Key Points for Equity and Diversity in Higher Education

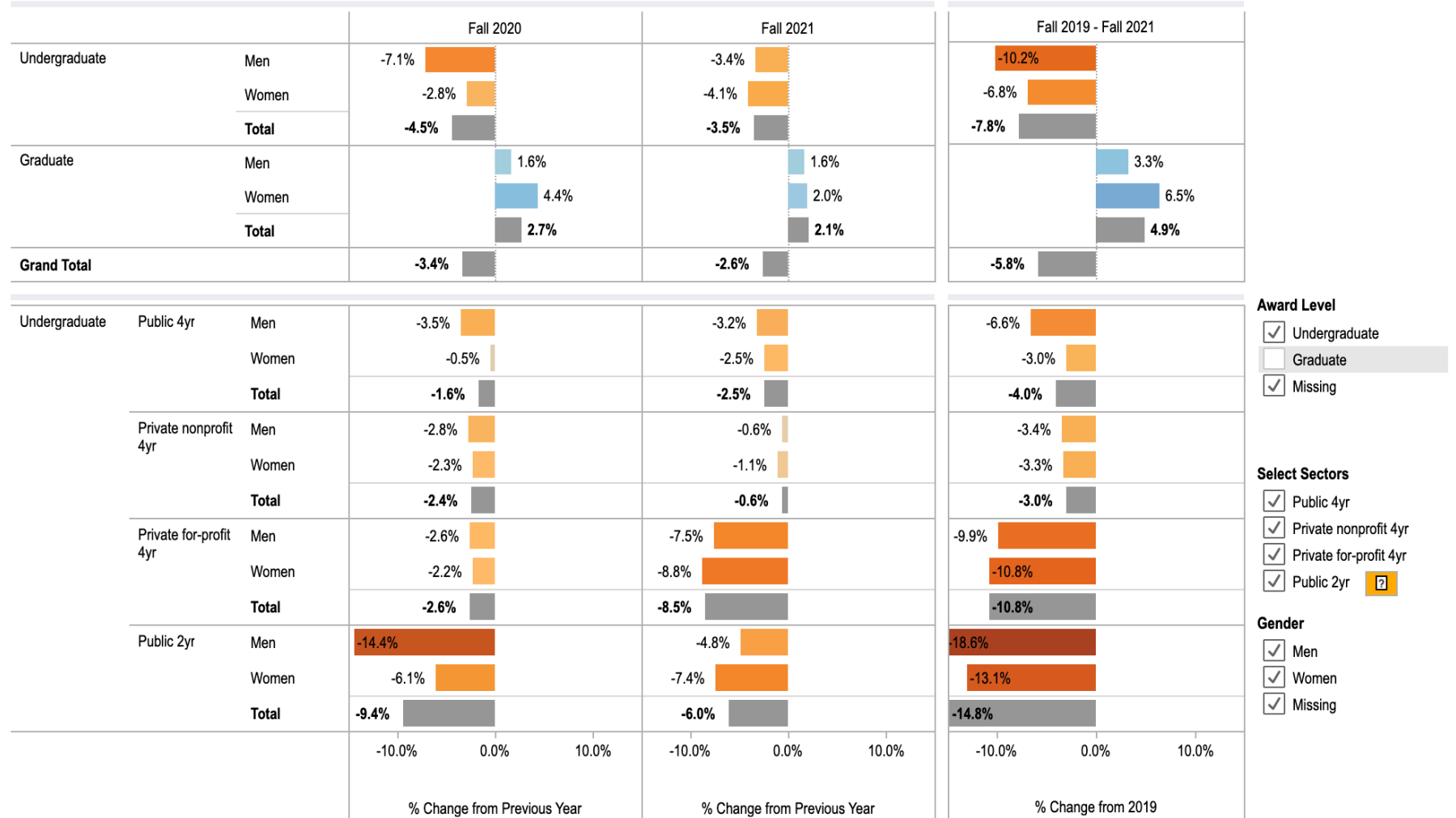
- **HBCUs, TCUs, and MSIs:** Improvements to development and research infrastructure; amount not specified
- **College Access:** Northern Mariana Islands, American Samoa, U.S. Virgin Islands, Guam and other lands: student awards \$15,000 annually, \$75,000 total
- **Maternal Health:** \$50,000,000 for studies at MSIs
- **Research Capacity:** \$75,000,000 to expand research capacity and diversify the workforce.
- **Minority Business Development:** \$200,000,000 for MSI rural minority business partnerships
- **Broad program development:** \$1,000,000,000 for institutions including MSIs
- **National Science Foundation (NSF):** \$200,000,000 for institutions' capacity building
- **NSF:** \$100,000,000 for facilities modernization at HBCUs, TCUs, HSIs and other MSIs.
- **Health and Human Services; Hawkins Program; Grow Your Own**

Workforce and Apprenticeships

- \$20 billion total for workforce development programs through 2026
 - \$1 billion for Adult Worker Employment and Training
 - \$2 billion for Dislocated Worker State Grants
 - \$5 billion for industry or sector partnership grants
 - \$1 billion for registered apprenticeships
 - \$1.5 billion for Youth Employment and Training Activities
 - Array of other workforce development programs.

Enrollment

Figure 1. Enrollment Changes by Award Level, Sector, and Gender



Bipartisan Infrastructure Law

- **\$42.45 billion** in formula-based grants to states for the deployment of broadband.
- **\$14.2 billion** for the Affordability Connectivity Benefit, which would provide a \$30 monthly voucher for low-income families to use on an internet service plan of their choice. This builds on the existing [Emergency Broadband Benefit Program](#).
- **\$2.75 billion** for the Digital Equity Act implementation, which includes grant programs to invest in digital inclusion activities and strengthen state-level capacity for increased broadband adoption.
- **\$2 billion** for Tribal grants for broadband deployment, digital inclusion, workforce development, and distance learning.
- **\$2 billion** in support of rural broadband.



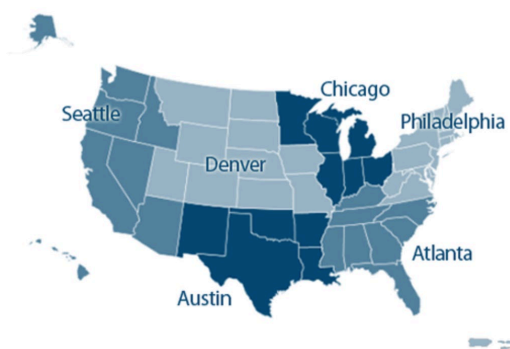
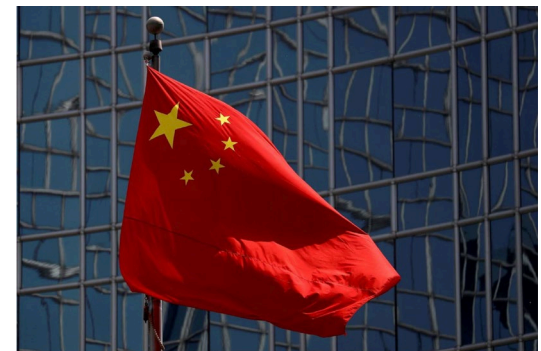
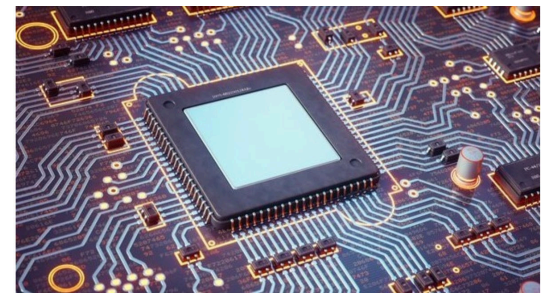
Appropriations/Debt Ceiling

- Continuing resolution (CR) in effect until December 3
- The CR is likely to be extended into February or March (or earlier) in order to avoid crossing with contentious discussions on budget reconciliation and debt ceiling
- Contentious issues appropriations include controversial policy riders, and differences on spending
 - Policy riders
 - Defense vs non-defense spending dispute
 - Democrats want 5% defense increase, 13% non-defense, GOP wants even split
- For higher education, House and Senate bills include \$400 increase in Pell maximum. Senate spending bill slightly smaller than the House.
- Debt ceiling talks are starting, as the ceiling looms on December 15



U.S. Innovation and Competition Act (USICA)

- Aimed at making the U.S. more competitive with China and advancing technology and innovation in the US. Passed Senate this summer. Senators currently negotiating with the House. Over 2,300-page bill.
- Includes \$10 billion for at least 18 technology hubs spread across EDA's six regions. These hubs would focus on technology and innovation critical to national and economic security.
- \$9.6 billion for university technology centers and innovation institutes to conduct research into research to key technology areas of focus
- Expands review of foreign gifts and contracts to institutions of higher education
- Foreign gift reporting by institutions reduced down to \$50K from \$250K
- Undergraduate student scholarships, graduate fellowships, and postdoctoral awards in key focus areas

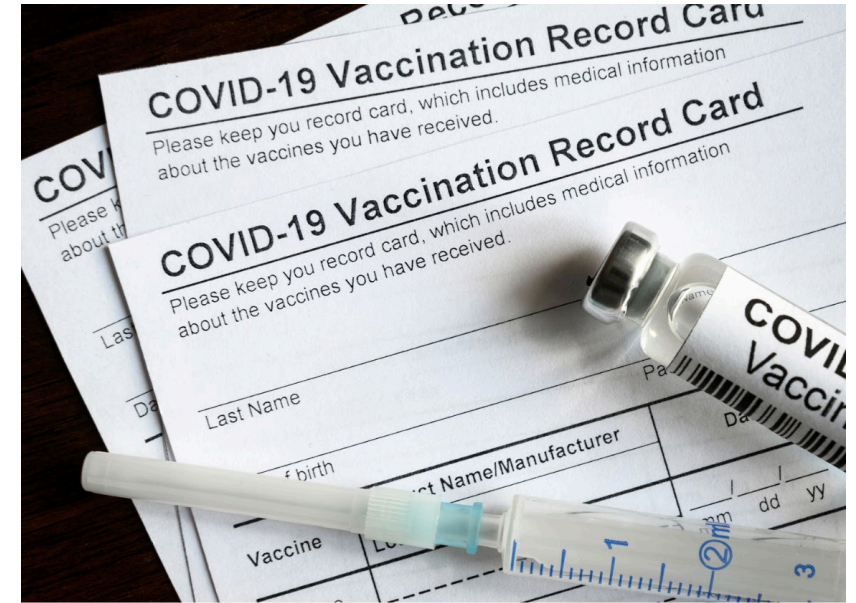


Open Grant Competitions

- ED:
 - Rural Postsecondary and Economic Development Grant Program (Due Dec. 6)
 - Basic Needs for Postsecondary Education Students (Due Dec. 6)
 - Fulbright-Hays Group Projects Abroad (Due Jan. 22)
 - Centers for International Business (Due Dec. 16)
 - Request for information: Rigorous research on postsecondary interventions (Dec. 8)
- Commerce
 - Build Back Better Regional Challenge
 - Good Jobs Challenge
 - Economic Adjustment Assistance
 - Travel and Tourism
 - State Planning, Research, and Networks Challenge
 - Coal Communities Commitment
- Private Funding: Ascendium & JFF have a competition for private funding for state systems coordinating to build capacity for the Pell Grants for prison populations (Due Nov 24)

Vaccine Mandates

- Federal Contractors
 - Includes colleges and universities with federal contracts
- OSHA Mandate
 - Requires vaccination or weekly testing
 - Applies to all private colleges over 100 employees and public colleges in 28 states/territories with OSHA-approved state plans that cover public employees
 - *****Temporarily Blocked by Appeals Court*****
- CMS Mandate
 - Workers at health care facilities participating in Medicare or Medicaid
- All mandates have a deadline of January 4, 2022



Student Loans/Financial Aid

- The pause on student loans will end on January 31, 2022
- No word on loan forgiveness memo
- Biden Administration currently offering waivers on parts of Public Service Loan Forgiveness (PSLF)
- 2022 rulemaking will include 90/10 rule

Tuesday, November 2, 2021

[2021 SHEEO Policy Conference--November 8-11--Washington, D.C.](#)

[Statement by SHEEO President Robert Anderson, Ph.D., on the Budget Reconciliation Agreement](#)

[Coalition Letter RE: Veterans Benefits COVID Extensions, Technical Correction Bill](#)

National Policy Update

[Report: College Comes to High School: Participation and Performance in Tennessee's Innovative Wave of Dual-Credit Courses](#)

Educational Evaluation and Policy Analysis (Date posted: November 1, 2021)

[Lawmakers, alumni groups call for free speech on campuses: 'There has to be some legal action'](#)

Fox News (Date posted: November 2, 2021)

[What Happened at Negotiated Rulemaking's Prison Education Program Subcommittee](#)

New America (Date posted: October 28, 2021)

['HBCUs survived': Historically Black colleges poised to get billions in spending bill](#)

McClatchy (Date posted: November 1, 2021)

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Questions?

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