



### **Federal Issues Update: as of September 13, 2010**

Last summer, two-year colleges were anticipating \$12 billion in new federal investments through the American Graduation Initiative (AGI) that was introduced by President Obama and passed by the US House of Representatives. Expectations were scaled back when portions of the AGI were included as part of health care reform, which means two-year colleges instead can look for \$2 billion in new federal resources through Community College and Career Training Grants. Other pending legislation of importance includes the 2011 federal budget and appropriations and the potential for reauthorization of the Workforce Investment Act (WIA). However, with the November mid-term elections looming, passage appears unlikely of any major new legislation until the new congressional session starts in January 2011.

#### **Community College and Career Training Grant (CCCT)**

When the House passed its version of AGI on September 2009, most insiders expected quick Senate action. However, as delays in completing health care reform legislation stretched into 2010, Congress combined portions of the AGI with health care reform legislation through a process known as reconciliation. As a result, instead of \$12 billion for two-year colleges proposed by the President as the AGI, \$2 billion will be provided through CCCT Grants. Key provisions of this program include:

- \$500 million per year from federal fiscal year (FFY) 2011 through 2014, including at least \$2.5 million per year in each state, which will be awarded to one or more public two-year colleges through competitive grants in each state (\$125 million). The remaining \$375 million annually also will be distributed to institutions through competitive grants.
- CCCT grants will be administered by the US Department of Labor as this grant program was initially created (but not funded) as part of the American Recovery and Reinvestment Act passed early in 2009. The Department of Labor, however, is working closely with Department of Education in developing specific details about the grant program.
- The grants are intended to provide education and training programs for dislocated workers and those in danger of losing their jobs. Initial indications are that the education and training programs will not be limited to those workers defined as dislocated under Trade Adjustment Assistance (TAA) but that grant-funded programs must be designed to address the needs of these workers.
- Release of the initial solicitation for grant applications (SGA) is anticipated for early October 2010, with applications likely due in early January 2011 and awards made in Spring 2011.
- Grants will be awarded for a three-year period with \$2.5 million expected as a minimum grant award and no maximum award amount.

- Preliminary indications suggest that successful applications will include a heavy emphasis on reform and innovation, particularly that addresses high growth and emerging industry sectors, integrated adult education and occupational training, well-defined career pathways leading to postsecondary degrees or industry recognized credentials, career counseling and support services to ensure program completion and family-supporting wages upon completion.
- Successful applications also will likely need to demonstrate strategic partnerships with employers of all sizes, local workforce boards, labor organizations, and other education institutions and include strong evaluation components.
- Applications from consortia of institutions will likely be encouraged including statewide and perhaps even across state lines. States are not eligible applicants although they could be included as part of consortia that are led by colleges.

Because the Department of Labor has not released the SGA, specific requirements for CCCT grants may be subject to change.

### **Federal 2011 Appropriations**

While both the Senate Appropriations Committee and the House Labor, Health and Human Services, Education and Related Agency Appropriations Subcommittee completed their work on 2011 appropriations in July, there has been no action since then even though the 2011 FFY begins on October 1. The current House and Senate versions level-fund Perkins and maintain separate funding streams for basic state grants and Tech Prep. With Congress returning this week from its August recess and the national focus on the November mid-term elections, it is unclear when there may be additional action on 2011 appropriations. Without significant progress very soon, continuing resolutions and a possible omnibus appropriation bill near the very end of 2010 seem increasingly likely.

### **Workforce Investment Act (WIA) Reauthorization**

Reauthorization of the WIA has been pending for several years. While the Obama administration and Congressional leaders wanted to include reauthorization as part of an overall jobs agenda, it appears increasingly unlikely that there will be any major action on WIA reauthorization during the current congressional session. This is the second (and last) year of the 111<sup>th</sup> session of Congress, so any legislation proposed this year would need to be passed by Congress and signed into law before the anticipated adjournment of Congress early this fall to return home and prepare for mid-term elections in November. Even if WIA reauthorization legislation is proposed, insiders see the aftermath of the extended health care reform debate as even more enhanced partisanship that will make passage of major legislation challenging for the rest of this year.

You can find ongoing updates about federal issues of importance to the WTCS at <http://www.wtcsystem.edu/legislative/federal/index.htm> or contact WTCS Federal Relations Officer Nancy Merrill (email [nancy.merrill@wtcsystem.edu](mailto:nancy.merrill@wtcsystem.edu) or phone 608-267-9514.)