



December 14, 2018

FEDERAL RELATIONS OVERVIEW

Federal Government Relations Consultant in Washington, DC, Connie Myers, provides advice and recommendations to the California Community Colleges (CCC) on federal/national matters. During the months of November and December, she coordinated and participated in meetings, activities and events with key higher education leaders, as outlined below.

- Meetings to highlight Chancellor Oakley's National Competitiveness Forum speech that focused on CCC positive contributions to California's economic competitiveness, especially in the areas of investment, innovation, talent growth and technological leadership.
- Convening with members of the higher education community to discuss issues pertinent to CCC, including reauthorization of the Higher Education Act and the Department of Education's 2019 Rulemaking, among others.
- An event to release a new report by *The Institute for College Access and Success (TICAS)*. The report, "Of Metrics and Markets: Measuring Post-College Employment Success," details existing requirements that govern the calculation and provision of post-college employment metrics, documents weaknesses in existing data, and recommends federal and state policy changes to support comparable, accurate, accessible information for measuring post-college employment outcomes.
- *Higher Learning Advocates* hosted an event titled "Bridging the Education-Workforce Divide: Upskilling America's Workforce!" The event examined the connections and challenges between education and workforce policies and funding streams, as well as how better collaboration can be supported at the state and federal levels.

CONGRESSIONAL UPDATE

Members of the 115th Congress returned on November 13, 2018, to close out the session. On January 3, 2019, the 116th Congress will be sworn in. Democrats will gain control of the House of Representatives and Republicans will retain control of the Senate.

- On December 6, 2018, the Senate voted to confirm the nomination of Kathy Kraninger as Director of the Consumer Financial Protection Bureau (CFPB). Kraninger was confirmed with a 50-49 vote along party lines.
- On December 6, 2018, Senate Health, Education, Labor, and Pensions (HELP) Committee Ranking Member Patty Murray (D-WA) sent a letter to U.S. Department of Education (USED) Secretary Betsy DeVos requesting the Department release information on how it plans to award new contracts to student loan servicers. The Department currently is in the process of developing changes to the way it collects federal student loans. The letter states, "Servicers should have both a moral and regulatory obligation to operate in the best interest of borrowers," and it calls for the Department to review finalists for contract awards based on their past performance.
- On December 6, 2018, House Energy and Commerce Committee Ranking Member Frank Pallone (D-NJ) sent a follow-up letter to U.S. Department of Health and Human Services (HHS) Secretary Alex Azar regarding the Department's ability to track, care for, and reunite children who have been separated from their parents at an American border. "I am deeply disturbed by recent reports that are raising new questions about the efforts of (HHS) to adequately track and care for children in its custody, including children who

were reportedly separated after the official end of the Administration's 'zero tolerance' policy," wrote Congressman Pallone. The letter requests the Department answer questions regarding the number of children still in custody of the Office of Refugee Resettlement (ORR); how many children were separated from their parents for reasons other than the child's safety; how long the Department expects the Tornillo facility to remain open; and what the Department is doing to ensure that all facilities meet relevant requirements.

- On November 30, 2018, House Republicans selected House Education and the Workforce Committee Chairwoman Virginia Foxx (R-NC) to serve as Ranking Member of the Committee during the 116th Congress. This was an expected move for House Republicans. "It is an honor to have the trust and confidence of my colleagues to help lead all of us to uncovering and implementing more ways to empower Americans to build successful lives," stated the Chairwoman.

ADMINISTRATIVE UPDATE

- On December 4, 2018, the White House announced a plan to improve access and quality of STEM education in the country. The plan has three goals: (1) build a strong foundation for STEM literacy; (2) increase diversity in STEM careers; and (3) prepare the STEM workforce for the future. In order to achieve these goals, the Administration says the plan will focus on developing strategic partnerships, engaging students when disciplines converge, and advancing computational thinking skills.
- On December 5, 2018, Education Corporation of America – a for-profit college operator – announced it will be closing all of its campuses. In response to the announcement, USED stated the decision is "highly disappointing and not best for its students." The operator had been struggling with financial and regulatory problems, including sanctions from the Department on the company's federal funding. The Accrediting Council for Independent Colleges and Schools (ACICS) had revoked its approval of the operator's campuses earlier in the week. The operator's closure affects 19,000 students, according to Department spokesperson Liz Hill.
- On December 3, 2018, USED Inspector General submitted a report to Congress that outlines the Office of the Inspector General (OIG) disagreement with the Department's plan to eliminate the gainful employment (GE) rule "without adequate replacement to ensure accountability." The GE rule put in place by the Obama administration requires for-profit colleges and schools to demonstrate that the majority of their students have been able to find employment that allows them to pay back their federal student loans for attending that school. Schools that do not provide such evidence are prevented from accessing further federal student aid. The Trump administration has been attempting to undo that rule. The OIG report also indicates that investigations of fraud and abuse within the for-profit college industry continue to require a large amount of Department/taxpayer resources, which supports the OIG position that the Department needs a system of accountability in place. Due to the Department's failure to finalize a new regulation by November 1, 2018, it must enforce the Obama-era rule. On December 5, 2018, it was reported that the Department is unable to enforce the gainful employment rule due to a data-sharing dispute between USED and the Social Security Administration. "The Social Security Administration has determined that they cannot share data for purposes other than to administer the Social Security Act," stated an official with the Department.
- On Monday, December 11, 2018, the Chancellor's Office submitted comments to the U.S. Department of Homeland Security's Notice of Proposed Rulemaking change regarding inadmissibility of immigrants to the United States on public charge grounds. Under the proposed rule, any person who seeks support for health, nutrition or housing could face barriers to maintaining or improving their immigration status. While its stated purpose is to ensure immigrants are "self-sufficient" and "do not depend on public resources to meet their needs," the rule would significantly alter the public charge test and could have chilling effects on undocumented students seeking to access the California Community Colleges. The comments are consistent with previous statements of the Board of Governors regarding the non-discrimination and open access values of our system.