

June 20, 2014

The Honorable Tom Harkin
Chairman
Senate Committee on Health, Education, Labor and Pensions
SD-430 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Harkin:

The American Association of Community Colleges (AACC) and the Association of Community College Trustees (AECT) are pleased to provide brief comments concerning the Higher Education Affordability Act. AACC and AECT represent the CEOs and trustees, respectively, of the nation's more than 1,100 community colleges. As you know, community colleges enroll more than 8 million credit students each fall and serve as essential engines of individual opportunity and economic growth. No legislation is more important to community colleges and their students than the Higher Education Act (HEA).

We commend your introduction of this HEA reauthorization legislation. It clearly represents months of hard work and thoughtful deliberation, with broad input from our own community. Without taking a formal position on the legislation at this time, we wish to highlight some of its most important and positive features from the community college perspective based on our review of portions of the draft legislation.

Most importantly, the legislation enhances the Pell Grant program, which now serves more than 3.2 million community college students annually. Our campuses would look entirely different without the support of the Pell Grant. We commend the reinstatement of the year-round Pell Grant. We believe all students who wish to attend school throughout the year should be able to do so. In addition, the creation of federal aid eligibility for "Ability-to-Benefit" students enrolled in career pathways programs will provide opportunity for thousands of students who otherwise could not enroll in college, and we hope eligibility ultimately will be expanded.

In the area of student loans, we strongly support the consolidation of income-driven repayment options, recognizing that this option is best suited for students who are finding it difficult to afford their monthly loan payments. We also support pro-rating loan caps based on enrollment status or intensity while continuing to support institutional discretion in limiting loan maximums for students in defined circumstances, such as those in certain programs or those in need of substantial amounts of developmental education.

Community colleges and policy makers will also benefit from the bill's Student Default Risk Index, which reflects our institutions' low tuition policies that allow most students to avoid borrowing, and could serve as a replacement for less accurate measures based on borrowers alone. Finally, the legislation aims to improve the performance of student loan servicers. The complexity and confusion created for students by servicers, and at times multiple servicers, is

partially responsible for many of the challenges facing students in repayment and for increasing cohort default rates.

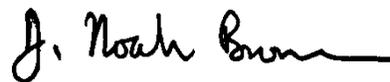
The proposed legislation also envisions new federal investments in areas central to the community college mission that reach beyond our campuses. These include a new program to help community colleges respond to specific industry needs through education and training programs. Despite their longer-term economic benefits, these programs are often cost-prohibitive for our colleges to offer, and so represent a wise federal investment. In addition, the legislation creates a new pathway to support dual enrollment programs at our nation's high schools, which have proven to be of extraordinary benefit to secondary students across the country by exposing students to higher education and providing low-cost degree options. Finally, the bill creates a new grant program to support "reverse transfer" that would enable more students who have transferred from community colleges with qualifying academic records to earn associate degrees.

Again, AACC and ACCT commend you for introducing this key legislation to reauthorize the Higher Education Act, and look forward to working with you further on it in the coming weeks and months.

Sincerely,



Walter G. Bumphus
AACC President and CEO



J. Noah Brown
ACCT President and CEO