AS WE FLIP THE CALENDAR TO 2017, the legislative agenda for the 115th Congress and President Donald J. Trump is robust. On the campaign trail, then-candidate Trump outlined many priorities for his prospective administration, and those priorities will dominate the legislative agenda this year. At the top of the list is the repeal and replacement of the Affordable Care Act (ACA) and tax reform. Congress is using the budget reconciliation process to consider the repeal and replacement of ACA for two reasons: through this process only a simple majority is needed to pass the bill, and bills passed in this way are filibuster-proof in the Senate. Consideration of tax reform has not begun, but the reconciliation process also will be used for its consideration. Together, ACA and tax reform are expected to dominate the legislative agenda for 2017, leaving many items competing for space on the legislative calendar.

Furthermore, since the 114th Congress was unable to pass a yearlong appropriations bill and the present bill is set to expire on April 28, Congress will need to pass an appropriations bill for the remainder of FY2018. Congress also will need to work on the FY2019 appropriations bills while finalizing FY2018. The major item of interest for the funding bills will be funding levels for higher education, the status of the Pell Grant funding surplus, and the restoration of the year-round Pell Grant program. These legislative items will likely result in pushing many higher education legislative items toward the end of 2017 or into 2018, including the ones described in more detail below:

**Higher Education Act**

The reauthorization of the Higher Education Act (HEA) is still pending, as the 114th Congress did not move a reauthorization bill through either the House or Senate. The likelihood of a reauthorization taking place depends on whether the House and Senate can agree to either a comprehensive rewrite of HEA or more of a piecemeal bill that only addresses major items. ACCT’s top legislative priorities of interest for community colleges within HEA include:

- The restoration of year-round Pell
- Revisions to the student loan program
- Opposition of efforts to penalize
colleges financially for non-repayment on student loans
• Accreditation
• Regulatory relief to colleges
• Creation of an improved data system to better measure student success.

Infrastructure
Throughout his presidential campaign, then-candidate Trump made many remarks about the importance of robust investments in infrastructure, and an infrastructure package to support job growth may be a major priority of his administration. Since community colleges are the job training provider of choice in many communities, our institutions may benefit greatly if these resources are targeted toward efforts related to job creation and job training programs. Many community colleges also have significant infrastructure needs; however, it’s unclear whether federal funding might support this type of effort. Congress has previously moved legislation that included funding for higher education institutions, but these bills never have been signed into law.

The Carl Perkins Act
The Carl D. Perkins Career and Technical Education Act also is up for reauthorization and enjoys strong bipartisan support. As the new administration considers ways to revamp manufacturing and job-training efforts, the Carl Perkins Act may be a prime means through which to increase focus and funds to these important initiatives. See the fall 2016 issue of Trustee Quarterly for more information.

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Tax Reform
While tax policy in general is not a major higher education legislative item, Congress may look at two key tax credits this year, the American Opportunity Tax Credit (AOTC) and Internal Revenue Code Section 127. AOTC provides up to $2,500 in tax credits for higher education expenses, refundable up to $1,000. In many instances, community colleges are precluded from receiving AOTC if they participate in the Pell Grant program. Congress will need to address this inequity. Tax benefits under employer-provided educational assistance (Section 127) also could be on the chopping block when Congress takes up tax reform. Under current law, employers that provide their employees educational assistance benefits under Section 127 may deduct the costs as a business expense as part of their income-tax liability. Eliminating this tax benefit would take away much of the incentive for employers to provide educational assistance.

DACA
While comprehensive immigration reform is not expected to be considered this year, a bipartisan group of legislators is working to provide relief from deportation for Deferred Action of Childhood Arrival (DACA) students. DACA was an executive action taken by President Barack Obama, and at this time it remains unclear whether the Trump Administration will continue this effort. The bipartisan Bar Removal of Individuals Who Dream and Grow Our Economy (BRIDGE) Act would provide temporary relief to DACA students until Congress takes action to address comprehensive immigration reform.

ACCT continues to monitor and work with Congress and the administration on these legislative priorities. We are excited to announce a new resource for our membership, ACCT Now, an online publication that can be found at now.acct.org. This website is a hub for public policy content and our Latest Action in Washington (LAW) email alerts. We also encourage trustees, presidents, and other advocates at your college to use ACCT’s online policy center at www.acct.org to communicate with your members of Congress. To sign up for LAW alerts, email publicpolicy@acct.org.

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