
Build Back Better Act

On Friday, November 19, 2021, the House of Representatives passed [H.R. 5376, the Build Back Better Act](#). The bill now moves to the Senate for consideration, where it is expected to be modified to meet Senate rules for reconciliation and to garner support from all 50 Democratic Senators.

Below is a section-by-section summary of titles and provisions relevant to community colleges in the House-passed bill.

Title II – Committee on Education and Labor

Subtitle A – Education Matters

- Part 2 – Higher Education
 - Sec. 20021 – Increasing the Maximum Federal Pell Grant
 - Increases the maximum award of the Pell Grant by \$550 for fiscal year (FY) 2022 for students attending public and private nonprofit institutions of higher education.
 - Increases the maximum award of the Pell Grant by \$550 for award years 2023-2024 through 2025-2026 for students attending public and private nonprofit institutions.
 - Sec. 20022 – Expanding Federal Student Aid Eligibility
 - Makes recipients of Deferred Action for Childhood Arrivals (DACA), deferred enforced departure (DED), and temporary protected status (TPS) eligible for Higher Education Act (HEA) Title IV federal financial aid.
 - Sec. 20023 – Increase in Pell Grants for Recipients of Means-Tested Benefits
 - For award years 2024-2025 through 2029-2030, guarantees eligibility for a maximum Pell Grant for FAFSA applicants who, in the past 24 months, have received or, in the case of a dependent students, whose parents have received, a means-tested federal benefit.
 - Sec. 20024 – Retention and Completion Grants
 - Provides a total of \$500 million over the course of seven years for grants to states, systems of institutions of higher education, and TCUs to improve student outcomes, including enrollment, retention, completion, and transfer rates, and labor market outcomes.
 - Institutions that are not TCCUS will have to provide matching funds for years two to four of 10, 15, and 20 percent respectively.
 - Institutions will have to demonstrate adequate progress on a yearly basis.

- \$142,500,000 of the \$500 million will be used to implement reforms and practices meeting certain evidence standards.
- Sec. 20025 – Institutional Aid
 - Provides \$6,000,000,000 to increase mandatory appropriations to HBCUs, TCUs, HSIs and other MSIs.
 - \$470,640,000 per year for five years for Hispanic Serving Institution (HSI) STEM and Articulation Programs.
 - \$470,640,000 per year for five years for Historically Black Colleges and Universities (HBCUs) and Predominantly Black Institutions (PBIs), at a share of 85% and 15% respectively.
 - \$141,120,000 per year for five years for Tribally Controlled Colleges and Universities (TCCUs).
 - \$70,560,000 per year for five years for Alaska Native-serving institution or Native Hawaiian-serving institutions.
 - \$23,520,000 per year for five years for Asian American and Native American Pacific Islander-serving institutions (AANAPISIs).
 - \$23,520,000 per year for five years for Native American-serving nontribal institutions.

Subtitle C – Workforce Development Matters

- Part 1 – Department of Labor
 - Sec. 22001 – Dislocated Worker Employment and Training Activities
 - Provides \$2,000,000,000 over a five-year period through September 30, 2026 for Dislocated Worker State Grants authorized under the Workforce Innovation and Opportunity Act (WIOA), for providing career services to dislocated workers, and training services.
 - Training services and individual training accounts can be used at any education or training program on a state’s eligible training provider list, such as local community colleges or registered apprenticeships.
 - Sec. 22002 – Adult Worker Employment and Training Activities
 - Provides \$1,000,000,000 over a five-year period for WIOA state grants for Adult Employment and Training Activities.

- Individual training accounts can be used at any education or training program on a state’s eligible training provider list such as local community colleges or registered apprenticeships.
- Sec. 220003 – Youth Workforce Investment Activities
 - Provides \$1,500,000,000 over a five-year period through September 30, 2026, for WIOA state grants for Youth Employment and Training Activities.
- Sec. 22006 – Registered Apprenticeships, Youth Apprenticeships, and Pre-Apprenticeships
 - Provides \$1,000,000,000 over a five-year period through September 30, 2026, for registered apprenticeship programs, pre-apprenticeship programs that articulate to registered apprenticeship programs, and youth apprenticeship programs.
 - \$500,000,000 of this is reserved for programs serving high numbers of individuals with barriers to employment, including individuals with disabilities, or nontraditional apprenticeship populations.
- Sec. 22007 – Industry or Sector Partnership Grants
 - Provides \$5,000,000,000 over a five-year period through September 30, 2026, for a new competitive grant program that would make awards to industry sector partnerships and state and local workforce development boards to create partnerships, provide training and supportive services, and other activities.
 - Community Colleges could be part of these partnerships.
 - \$250,000,000 of the total is appropriated for state and local boards to support the creation or expansion of industry or sector partnerships in local areas with high unemployment rates or high percentages of dislocated workers or individuals with barriers to employment, as compared to State or national averages for such rates or percentages.
 - \$150,000,000 is appropriated for outreach, administrative costs, and evaluation.
- Part 2 – Department of Education Workforce Development Appropriations
 - Sec. 22101 – Adult Education and Literacy
 - Provides 700,000,000 over a six-year period through September 30, 2027 for adult education and literacy services authorized under WIOA.

- Not less than 10 percent of funds that states award to eligible providers is reserved for corrections education and education of other institutionalized individuals.
- Sec. 22102 – Career and Technical Education
 - Provides \$700,000,000 to ED over a six-year period through September 30, 2027, to carry out activities related to Career and Technical Education.
 - \$600,000,000 is provided for State grants authorized under the Carl D. Perkins Career and Technical Education Act of 2006 (Perkins CTE Act) and \$100,000,000 is provided for innovation and modernization grants authorized under that Act.
- Sec. 22103 – Community College and Industry Partnership Grants
 - Provides \$5,000,000,000 over a five-year period through September 30, 2026, for competitive grants, contracts or cooperative agreements to community colleges that are part of or in the process of establishing industry or sector partnerships.
 - \$100 million from the total is reserved for outreach, administrative costs, and evaluation.
 - Partnerships should expand workforce development programs in high-skill, high-wage, or in-demand industry sectors or occupations, including providing supportive services, career services and job placement assistance to individuals with barriers to employment.

Title XIII – Committee on Ways and Means

Subtitle C – Trade Adjustment Assistance

- Part 3 – Trade Adjustment Assistance for Communities and Community Colleges
 - Sec. 133302 – Trade Adjustment Assistance for Community Colleges and Career Training
 - This section makes improvements to the Trade Adjustment Assistance for Community Colleges program.
 - Increases grant maximum for individual institutions from \$1 million to \$2.5 million.
 - Increases grant maximum for institutional consortia to \$15 million.
 - At least 15% of grant funds must be spent on student support services, including direct financial assistance to help students access supported programs.

- DOL and grantees must ensure that the grants effectively serve underserved communities.
- Part 5 – Appropriations and Other Matters
 - Sec. 133501 – Extension of and Appropriations for Trade Adjustment Assistance Program
 - Extends Trade Adjustment Assistance (TAA) programs to 2025.
 - Appropriates to the Trade Adjustment Assistance for Community Colleges and Career Training (TAACCCT) a total of \$1.2 billion over four years.
 - TAACCCT program will receive \$300,000,000 for each of the fiscal years 2022 through 2025.

Subtitle G – Social Safety Net

- Part 5 – Higher Education
 - Sec. 137502 – Treatment of Federal Pell Grants for Income Tax Purposes
 - Excludes Federal Pell grants from gross income.
 - For purposes of the American Opportunity Tax Credit (AOTC), Lifetime Learning Credit (LLC), and exclusion of qualified scholarship from income, qualified tuition and related expenses shall not be reduced by any amount paid for the benefit of an individual as a Federal Pell Grant.
 - This would allow Pell Grant recipients to claim education tax credits they may be eligible for without those being reduced as a result of any Pell Grant Award.
 - This provision expires after 2025.
 - Sec. 1375034 – Repeal of Denial for American Opportunity Tax Credit on Basis of Felony Drug Conviction
 - Repeals the prohibition excluding students convicted of a state or felony drug offence from claiming the American Opportunity Tax Credit.