

The Student Aid and Fiscal Responsibility Act *A Landmark Investment in America's Economic Future*

A college degree continues to be the best pathway to the nation's middle class. It's also the best way to prepare our workers for the jobs of the future, to compete in a global marketplace, and to rebuild our economy so that it's strong, innovative, and once again sets an example for the rest of the world. With more Americans than ever looking to go to college or return to school to get additional skills needed in new and emerging fields, community colleges have an increasingly important role to play in educating and training America's workforce.

Just this week, President Obama set a new goal of graduating 5 million more Americans from community colleges by 2020. This legislation includes President Obama's groundbreaking community college reforms that will help reach this goal and prepare students and workers for 21st century jobs by:

Creating a new Community College Challenge Grant Program that will transform community colleges into excellent education and job training centers

- **Build a 21st century workforce by encouraging historic partnerships between community colleges, businesses, job training and adult education programs.** The bill will create a new competitive grant program for community colleges to improved instruction, work with local employers, improve their student support services, and implement other innovative reforms that will lead to a college degree, certificate or industry-recognized credential to fulfill local workforce needs. The Secretary of Education will be able to evaluate the effectiveness of all programs and policies funded through these grants by using 2 percent of these funds to commission the Institute for Education Sciences to conduct a rigorous study to help the Secretary determine which reforms may be replicated at other colleges and states.
- **Incentivize community colleges to achieve excellence by requiring them to meet benchmarks in order to participate in the challenge grant program.** Under the program, the Secretaries of Education and Labor will award four-year grants to community colleges and other 2-year degree granting institutions on a competitive basis to support innovative pilot programs and policies. In order to continue to receive funding for year three of the grant period, community colleges must meet benchmarks they set in consultation with the Secretary of Education's approval. Pilot programs and policies must also demonstrate that they can be replicated either in the state or nationwide. The minimum grant that can be awarded is \$1 million. Funds can be used to carry at least two of the following activities:
 - ✓ Facilitating transfer of credit articulation agreements;
 - ✓ Expanding academic and training programs that provide relevant job-skill training for high-wage occupations in high-demand industries;
 - ✓ Improving student support services including those identified under the Workforce Investment Act;
 - ✓ Creating workforce programs that blend basic skills and occupational training leading to industry-recognized credentials;
 - ✓ Building and enhancing linkages including dual enrollment programs and early college high schools as well as improving remedial and adult education programs; and
 - ✓ Implementing reform programs to increase completion rates and provision of training for students to enter high-wage occupations in high-demand industries.

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- **Ensure that more students graduate with the expertise needed for high wage jobs and high-demand industries.** Targets grants to high-need students and programs that focus on preparing students for jobs in fields that need workers and will continue to grow. The Secretaries would also be able to award six-year competitive grants to states to implement successful Challenge Grant Program reforms at other community and junior colleges within the state. Funding could be discontinued if the state does not make progress meeting benchmarks it develops with the Secretary by year three of the grant period.

Expanding access to education by supporting free, high-quality, online training, and high-school and college courses.

- **The U.S. Department of Education would be authorized to make competitive grants available to eligible colleges, workforce programs or other entities to help support the development of these courses.**

Ensuring that Americans can learn in modern, updated, and state-of-the-art community college facilities.

- **Helps community colleges modernize, renovate and repair their facilities by authorizes \$1 billion for** fiscal year 2010, and ensures that funding is used for facilities that are primarily used for instruction, research, or student housing.