

Community College Proposal for ED Approval of State Ability-to-Benefit (ATB) Plans

After carefully considering the Department's proposal for state ATB plans and recognizing our shared goal of serving *and* protecting the vulnerable student population served by ATB programs, community colleges wish to propose an alternative approach. Historically, higher education institutions have consistently opposed "bright line" standards for federal graduation rates and similar metrics, such as are being proposed by the Department. While they are appealing in their lack of complexity, such standards obscure the diversity of students and their needs, as well as institutions. When it comes to ATB, these standards also create a disincentive to build programs for this key, underserved population, limiting the on-ramps to opportunity that ATB was designed to create.

Community colleges' alternative proposal is focused on ensuring program quality in state ATB plans by requiring state, local, and/or county governments to make a significant financial commitment to the institutions that provide ECCPs and seek ATB eligibility for selected students. State financial commitment will help ensure that the state is fully invested in delivering quality ECCPs.

Specifically, community colleges propose the following:

Any institution participating in a state ATB plan receive at least one-third (1/3) of its supporting revenues for its aggregate ATB programming from non-federal public sources (i.e., state and/or local).

(Given the nature of institutional revenue streams, it is not practical to apply the one-third standard to individual ECCP programs, but there is no effective difference on the campus level because money is fungible.)

When a state commits resources and support to colleges that enable them to enroll students who lack a high school diploma, the federal government should in turn support that effort, recognizing the quality control incentive in the state's investment.

To further ensure program quality and prevent conceivable abuse, the community colleges propose capping the number of students who could qualify under the state plan:

The total number of students who could potentially qualify under a plan should be limited to one percent of the total enrollment in a state's public institutions of higher education.

(Current ATB numbers suggest that the number of students made eligible under any state plan will be far lower than that.)

State plans that meet the two thresholds outlined above—required state funding and enrollment caps--and whose institutions offer otherwise qualifying ECCPs, should be approved by the Department.

The number of students likely to qualify under ATB state plans is extremely small in relation to the overall pool of ATB students, not to mention all Title IV recipients. We do not believe that any state would propose any plan that it believes exploited students in any way. Concerns along those lines are unfounded, yet ironically the proposed regulations in the redline documents provided by the Department subject *only* the state plan process to this additional layer of “protection.”

Community colleges also propose deleting Sec. 668.157(a)(6) as proposed by the Department. The statutory requirement that a career pathway program “enables an individual to attain a secondary school diploma or its recognized equivalent” is better addressed in proposed Sec. 668.157(a)(1)(2). Community colleges believe leaving both clauses in the regulation will cause confusion. They are both aimed at the same end, yet employ different language towards that end. Furthermore, the language in Sec. 668.157(a)(1)(2) is appropriately more flexible than the language in subsection (6).

Pathways to a high school credential are generally an important part of career pathways programs, but the ATB regulations must account for the context into which the career pathways definition, borrowed in toto from another statute, is being applied here. ATB was established to grant financial aid to qualified students who desire to pursue higher education *without* first obtaining a high school credential. This aspect of the career pathways definition, therefore, is an odd fit for ATB requirements, yet it is statutory. Community colleges have repeatedly identified this aspect of the career pathways definition as a barrier to enrolling more ATB students. The greater degree of flexibility accorded to institutions in Sec. 668.157(a)(1)(2) best deals with this inherent tension between the statutory language and the context to which it is being applied.

In a separate document, community colleges propose the specific regulatory language to effect these changes.