Board of Trustees
Los Angeles Community College District

Agenda

LOS ANGELES COMMUNITY COLLEGE DISTRICT
BOARD OF TRUSTEES
LEGISLATIVE & PUBLIC AFFAIRS COMMITTEE MEETING
Educational Services Center
Board Room – First Floor
770 Wilshire Boulevard
Los Angeles, CA 90017
Wednesday, November 15, 2017
4:00 p.m. – 5:15 p.m.

Committee Members
Mike Fong, Chair
Andra Hoffman, Vice Chair
Gabriel Buelna, Member
Scott J. Svonkin, Alternate
Maria Luisa Veloz, Staff Liaison
Marvin Martinez, College President Liaison
Renee D. Martinez, College President Liaison Alternate

Agenda
(Items may be taken out of order)

I. ROLL CALL

II. PUBLIC SPEAKERS*

III. NEW BUSINESS

A. Federal Update Report - Leslie Pollner - Holland & Knight LLP
   1. 2017-2018 Federal Legislative Priorities

B. State Legislative Update
   1. 2017-2018 State Legislative Priorities
   2. Update on Request for Proposals for Contract State Lobbyist Services

IV. OLD BUSINESS

V. DISCUSSION

VI. SUMMARY– NEXT MEETING ....Mike Fong

VII. ADJOURNMENT

*Members of the public are allotted three minutes time to address the agenda issues.

If requested, the agenda shall be made available in appropriate alternate formats to persons with a disability, as required by Section 202 of the American with Disabilities Act of 1990 (42 U.S.C. Section 12132), and the rules and regulations adopted in implementation thereof. The agenda shall include information regarding how, for whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting. To make such a request, please contact the Executive Secretary to the Board of Trustees at 213/891-2044 no later than 12 p.m. (noon) on the Tuesday prior to the Committee meeting.

Holland & Knight

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Memorandum

Date: November 9, 2017

To: LACCD Legislative & Public Affairs Committee

From: Holland & Knight LLP

Re: Federal Policy Update

Appropriations Update

With less than four weeks remaining until the Continuing Resolution (CR) expires on December 8, the Senate Appropriations Committee's work continues to lag behind the House, with four—out of twelve—spending bills yet to be moved out of the Committee. Disagreement over provisions such as directing funding for President Trump's proposed border wall has slowed down the process in the upper chamber.

Further complicating matters, leaders in both chambers have not been able to come to agreement on topline spending for military and domestic programs, which is needed to avoid the return of sequestration caps. With the Republican's tax overhaul plans taking center stage, a deal on the overarching funding levels isn't expected to be unveiled until late November at the earliest, putting the federal government on track for a stopgap spending bill that could last weeks, if not months.

DACA

Another factor complicating the FY 18 spending package is the Deferred Action for Childhood Arrivals (DACA) program. Democratic votes will be needed to pass a funding bill and avoid government shutdown, which gives Democrats leverage to push for DACA legislation (notably the DREAM Act). Several Senators, including Sen. Kamala Harris (D-CA), have said that they will not vote for government funding unless there is a vote on a "clean" (meaning without border security measures) DACA bill. Negotiations recently became more complicated as President Trump stated to a group of Republican Senators on November 2 that he would oppose efforts to add a "DACA fix" to the end-of-year spending measure. Instead, the President said he wants Congress to adopt separate border security legislation that includes an extension of DACA. The President has given Congress until March 5 to pass legislation on childhood arrivals before it will begin phasing out DACA.

Dianne Feinstein (D-Calif.) declined to say whether she would vote against a spending measure without a DACA fix, stressing: "I feel very strongly we need to get it done and we need to get it done now."

Meanwhile, liberal Democrats in the House are more vocally vowing to withhold their votes for a must-pass spending package if lawmakers don't come up with a solution.

Princeton Lawsuit

Princeton University, one of its students, and Microsoft have joined together in a single lawsuit against the federal government in response to the Trump Administration’s termination of the DACA program. The complaint, filed on November 3 in federal court in Washington, D.C., alleges that DACA’s termination violated both the United States Constitution and federal law.

The Princeton undergraduate bringing the legal challenge, Maria De La Cruz Perales Sanchez, has been a beneficiary of the DACA program. The complaint explains that the termination of DACA severely harms her and other DACA-enrolled young people (known as “Dreamers”), and “the employers and educational institutions that rely on and benefit from their contributions.”

The complaint says that Princeton “will suffer the loss of critical members of its community” if DACA’s rescission is left to stand. The presence of the Dreamers on campus “helps fulfill Princeton’s educational mission,” in which “diversity and inclusion” play a central role.

At Microsoft and its subsidiary LinkedIn, at least 45 DACA recipients are currently employed. Dreamers “serve in critical roles,” including as software engineers, financial analysts, inventory control experts, and in core technical and operations positions and other specialized functions and internships. The company has made significant investments in “recruiting, retaining and developing” employees “who are Dreamers,” and it has “significant interests in retaining the Dreamers it employs, and in reaping the benefits of their talent over time. It has conducted its business operations on the understanding that these individuals would continue to be eligible to work at the company.”

GOP Unveils Tax Reform Legislation with Implications for Higher Ed

Last Thursday, Republican leaders in the House unveiled their tax reform legislation and mark-ups in the House Ways and Means Committees have been ongoing this week. There are several proposals in the bill that could have an impact on higher education, some with negative consequences. A list of key provisions with relevance for LACCD are listed below:

***Employer-Provided Education Assistance*.** Employer-provided education assistance would no longer be excluded from income. The exclusion is currently limited to $5,250 per year and applies to both graduate and undergraduate courses.

American Opportunity Tax Credit (AOTC). The AOTC and Lifetime Learning Credit would be consolidated into an enhanced AOTC. The new AOTC, like the current AOTC, would provide a 100-percent tax credit for the first $2,000 of certain higher education expenses and a 25-percent tax credit for the next $2,000 of such expenses. Like the current AOTC, expenses covered under the credit include tuition, fees, and course materials. The AOTC would also be available for a fifth year of postsecondary education at half the rate as the first four years, with up to $500 of such credit being refundable. The Lifetime Learning Credit would be repealed, leaving part-time students unable to claim an education tax credit.

Discharge of certain student loan indebtedness. Any income resulting from the discharge of student debt because of death or total disability of the student would be excluded from taxable income.

***Student Loan Interest Deduction*.** The deduction would be repealed**.**

***Section 117d: Qualified Tuition Reductions*.** Qualified tuition reductions or tuition remission provided by educational institutions to employees and their spouses or dependents would no longer be excluded from income.

Bipartisan Criminal Justice Reform Legislation Introduced in the House

Representatives Bobby Scott (D-VA) and Jason Lewis (R-MN) introduced bipartisan legislation aimed at reforming the criminal justice system.

H.R. 4261, the Safe, Accountable, Fair, and Effective (SAFE) Justice Act takes a broad-based approach to improving the federal sentencing and corrections system, spanning from sentencing reform to release policies. The legislation, which is inspired by the successes of states across the country, aims to break the cycle of recidivism, concentrate prison space on violent and career criminals, increase the use of evidence-based alternatives to incarceration, curtail over-criminalization, reduce crime, and save money.

In the past 10 years, the federal imprisonment rate has jumped by 15 percent while the states' rate has declined 4 percent. The drop in the states' imprisonment rate, which occurred alongside sustained reductions in crime, can be attributed in large part to the more than two dozen states that have enacted comprehensive, evidence-based corrections reforms.

Similar to the successful reform packages enacted in many states, the SAFE Justice Act aligns the federal prison system with the science about what works to reform criminal behavior. It reflects the growing consensus among researchers that, for many offenders, adding more months and years onto long prison terms is a high-cost, low-return approach to public safety. It also looks to the growing number of practices in correctional supervision that are shown to reduce recidivism.

Legislation Introduced to Protect Veterans and Service Members from Aggressive Recruiting Efforts of For-profit Universities

U.S. Senators Dick Durbin (D-IL), Jack Reed (D-RI), Richard Blumenthal (D-CT), Elizabeth Warren (D-MA), Tom Carper (D-DE), and Chris Murphy (D-CT) were joined by U.S. Representative Steve Cohen (D-TN-09) last week to introduce bicameral legislation that would help put an end to the for-profit college industry's aggressive recruiting of veterans, service members, and their families. The *Protecting Our Students and Taxpayers (POST) Act* would prohibit for-profit colleges and universities from receiving more than 85 percent of their revenue from the federal government and change the calculation of federal revenue to include all federal funds, including Department of Veterans Affairs GI Bill and Department of Defense Tuition Assistance benefits.

According to data released last year by the U.S. Department of Education – in response to a request by Durbin and 19 other Democratic Senators – because of the loophole, 186 institutions, including some of the largest recipients of GI Bill benefits, received more than 90 percent of their revenue from federal taxpayers – nearly $8 billion cumulatively. Further, more than 563 institutions received more than 85 percent of their revenue from federal taxpayers – $12.6 billion.

The current federal 90/10 rule is a provision in the law that bars for-profit colleges and universities from deriving more than 90 percent of their revenue from the U.S. Department of Education's federal student aid programs. The other 10 percent needs to come from sources other than the federal government. The purpose of this rule is to ensure that schools are not counting on taxpayer dollars as their sole source of revenue.

Because of the way the law is written, veterans' and active duty service members' federal education benefits – such as G.I. bill education benefits and the Department of Defense's tuition assistance funds – do not currently count toward the 90 percent. As a result, for-profit educational institutions have been aggressively recruiting and enrolling veterans, service members, and their families to their programs as a way to comply with the 90/10 rule.

The *POST Act* would reinstate the original ratio of 85/15 (it was loosened to 90/10 in 1998) and change the definition of what counts as federal revenue so that it includes all federal funds. This new definition would eliminate the powerful incentive for-profit schools to aggressively recruit service members and veterans and ensure that all schools are complying with the law as it was intended. Additionally, the *POST Act* would count institutional loans (schools can now use Title IV funds from one student to lend to another) in the calculation of federal revenue sources and eliminate a school's Title IV eligibility after one year of noncompliance instead of the three consecutive years it now takes.

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Memorandum

Date: November 9, 2017

To: LACCD Legislative Committee
Chancellor Francisco Rodriguez

From: Holland & Knight

Re: LACCD Federal Policy Priorities – 115th Congress (Second Session)

Based on our October legislative planning session, the federal advocacy team has identified the following issues as potential key priorities for the Los Angeles Community College District.

Federal Policy Priorities
115th Congress – Second Session

The Los Angeles Community College District (LACCD) provides a world-class education and workforce training to a diverse student body to compete in the 21st century. To advance this important national objective, the Board of Trustees and the Chancellor for the District have set out the following federal priorities for the second session of the 115th Congress:

- **Support funding of core higher education funding programs that enable the District to recruit, retain and graduate a diverse and underrepresented student populations including year-round Pell:** While the Trump Administration has proposed reductions in higher education funding for several core programs, Congress has acted to restore these proposed cuts. Building off of final action on the FY 17 higher education appropriations, the House and Senate have each acted to reject the Trump Administration cuts for FY 18 and again restore the core program funding along with increases for College Work-Study and TRIO and full funding of Pell. Final action on the FY 18 appropriations is awaiting House-Senate conference and a final budget agreement between Congress and the Administration, with the expectation of being resolved later this year or early next year.

In addition, LACCD will need to continue to support these programs in FY 19 appropriations and ensure that they are authorized at the highest levels possible in the Higher Education Act (HEA) Reauthorization, which the House expects to release later this year.

- **Key Actions:**

  - Continue to support full funding in FY 18 and FY 19 Appropriations for programs under the U.S. Department of Education's Office of Postsecondary Education, including:

    - Year-round Pell
    - Federal Work-Study
    - TRIO
    - Title V – Developing Hispanic-Serving Institutions (HSI) and Title III Part F HSI STEM Articulation
    - Title III Asian-American and Native-American Pacific Islander Serving Institutions

  - Support the highest authorization levels for these programs in HEA Reauthorization.

- **Pass legislation that would give permanent legal status and a pathway to citizenship for undocumented students and their families**: The Trump Administration's decision to withdraw legal protections for students benefiting from the Deferred Action for Childhood Arrivals (DACA) program disproportionately impacts the 11,000 undocumented students studying at LACCD colleges.

  - **Key Actions:**

    - Continue to press for the Dream Act (S 1615; HR 3440) or similar legislation that would provide legal status for undocumented students and their families, and a pathway to citizenship for undocumented students.

- **Support legislation that would make college more accessible and affordable for students:** While LACCD seeks to provide affordable, accessible pathways to higher education, additional progress is needed to reduce financial and administrative barriers and expand student support services. LACCD supports national and local efforts that advance College Promise to help eliminate the cost of financing a postsecondary education. In addition, legislation to help offset the associated costs of attending community college, including transportation and childcare is needed.

Finally, the process of applying for financial aid is unnecessary burdensome and must be simplified.

- **Key Actions:**

  - Support H.R.3709, America's College Promise Act of 2017, and/or other legislation that would eliminate tuition and other financial barriers to attend public institutions of higher education, as well as help to reduce the increasing burden of student debt**.**

  - Support FAFSA simplification in Higher Education Act reauthorization to support greater participation, including the continued acceptance of prior-prior year earnings.

- **Strengthen support for workforce investment:** LACCD supports funding for programs to address the need to build institutional capacity in career and technical education and address workforce preparation, training and placement, targeting local workforce skills gaps and employment challenges in high demand sectors.

  - **Key Actions:**

    - Continue to press for adequate funding of the workforce programs in FY 19 appropriations, especially those administered by the Departments of Labor and Education, along with Commerce, Health and Human Services and Defense, to ensure that funding for community colleges is provided to develop and sustain apprenticeship and other workforce training initiatives, such as those in advanced logistics, healthcare, transportation and other high demand occupations, with strong linkages to and input from industry and employers.

- **Expanding STEM opportunities:** In response to the growing industry demand for STEM-skilled employees, LACCD is committed to augmenting the scope of programs in STEM related fields, projected to be the most critical for industry in the Southern California region. Of particular concern is meeting the challenge of increasing the percentage of students in STEM related fields among underrepresented groups. Legislative and administrative efforts are underway at the National Science Foundation (NSF) and the Departments of Education, Labor, Defense and Energy and at the National Aeronautics and Science Agency (NASA) to focus on STEM related education and workforce investment.

- **Key Actions:**
    - Support adequate funding in FY 19 appropriations, of a new program, mandated by Congress in the America Competes Act reauthorization that would require a competitive, merit-reviewed program at NSF to help HSI's enhance undergraduate STEM education at their institutions and increase the retention and graduation rates of students pursuing associate or baccalaureate degrees in STEM.

- **Building capacity to meet essential services for at risk students:** LACCD serves a variety of high-risk student populations. A study released earlier this year shows more than 60% of student respondents experience food insecurity, 55% of student respondents experience some form of housing insecurity with more than 18% of students homeless the past year. In addition, LACCD serves more than 2,300 foster youth, as well as formerly incarcerated individuals. Veterans returning to their communities and seeking to jump-start their education and career objectives are also in need of services. As each of these students require dedicated services to ensure their successful graduation and employment, LACCD has taken actions to try to address these concerns and believes that in partnership with the federal and state governments can strengthen these efforts significantly.

    - **Key Actions:**
        - Support legislation that seeks to remove barriers to ensure more students from all walks of life have strong and clear pathways into and through higher education. For instance, S. 1795, the Higher Education Access and Success for Homeless and Foster Youth Act, would improve resources for building capacity in our colleges and universities to improve outreach, resources, and policies for homeless and foster youth. It would streamline eligibility for financial aid, provide housing options between terms, and designate a single point of contact to help provide valuable services for these vulnerable students.
        - Support funding for re-entry grant programs in the FY 19 appropriation bills for the Departments of Justice and Labor with emphasis on the need to work directly with community colleges in their commitment to provide a quality education and workforce training opportunities for re-entry students.

- Develop legislation in partnership with congressional mental health caucuses to help strengthen student mental health services, especially in community colleges.

- **Seeking other key funding opportunities:** Continue to proactively identify funding opportunities for LACCD and its colleges to implement innovative programs that prepare students to successfully participate in the high demand industries and competitive marketplace. This may include pursuing congressionally-directed programmatic funding as well as new philanthropic partnerships. These could include:

  - **Key Actions:**

    - Identify opportunities for LACCD to pursue its infrastructure needs as legislation moves forward on the infrastructure package later next year.

    - Expand LACCD's partnerships and philanthropic relationships to strengthen LACCD student support services, academic programs and active linkages with industry.

2017-2018 STATE LEGISLATIVE PRIORITIES

BUDGET PRIORITIES

Base Allocation Increase

Community colleges continue to grapple with operating cost increases (PERS, STRS, OPEB, CBAs, Health Benefits, and Minimum Wage) that are greater than the statutory COLA increase. Additionally, districts are still trying to catch up to cost increases that occurred during the "Great Recession," a period when community colleges went without COLA increases. We anticipate that costs will continue to increase and the cost of educating a student will increase along with general operating cost increases.

Growth/Restoration & Transition/Stabilization Funding

LACCD has continued to believe that it is important to ensure that all students that are served are funded. Recently, many districts throughout the state, including LACCD have struggled to reach their funding cap. A compromise that provides a minimal level of growth with an extra year of stabilization would provide districts with the needed stability during the transition to a new funding formula that is being studied in the State Chancellor's Office. Our colleges will continue to focus on adding courses to align with the missions of transfer, CTE and basic skills. Additionally, our colleges are partnering with local high school districts to improve student preparation. Finally, our colleges are increasing focus on student retention which will increase enrollments.

Proposition 98 Restoration of Test 3B Funding

In the Education Trailer bill last year, the Legislature approved language to reduce Proposition 98 Test 3B funding by $850 million over the next three years. According to the Legislative Analyst, the 2018-19 reduction will be $450 million of which the community colleges will absorb a $49 million cut. The LACCD share is estimated to be $4.1 million. This cut will impede progress the district is making to improve student success and ensure financial stability of the district. We urge that the scheduled Test 3b reduction be repealed and that the $450 million be restored in the Proposition 98 budget.

Funding for AB 19 (Santiago)/Community College Promise

This year the Legislature passed, and the Governor signed AB 19 (Santiago), the Community College Promise Program. The program will allow community college districts to waive fees for one year for first-time students that take 12 units or more. Funding for the program was not included in the 2017-18 budget. We anticipate that the cost of the program will be $35-$40 million. The Governor should sufficiently fund the program to ensure that first-time, full-time students in every district can have their fees waived. Funding above that can then be used to address other access costs that students have. The State Promise Program is a great compliment to what we are doing in Los Angeles and can be integrated easily into the Los Angeles Promise Program

Mental Health
This funding could potentially come from Proposition 63 and go to community colleges to help address the increasing mental health issues that community colleges are facing. Colleges could utilize the funds for various purposes including assistance in identifying issues and assistance in referral of students to mental health specialists.

<u>LEGISLATIVE/REGULATORY PRIORITIES</u>

Dual Enrollment for All Students
LACCD has been working closely with local school districts to develop a robust dual enrollment program that gets students on a college-going track early. The district has implemented AB 288 (Holden) with local districts and is offering a number of courses at local high schools. However, AB 288 does not allow community college districts to partner with certain charter schools or parochial schools. These are students that come to LACCD colleges and are in the district's service area. LACCD ought to be able to serve all students that would potentially seek to access its courses.

Student "Work Study" for Undocumented Students
Due to federal rules, undocumented students are not able to participate in the federal work study program. LACCD serves the largest population of AB 540 students in the state. These are also some of the students that require the most support and financial aid. Legislation that would enable AB 540 students to "work" for a stipend or grant would provide another means of financial aid for these students.

CCCApply
The system by which students apply to courses is known to be cumbersome and create a barrier for access to many students that are seeking to access community college. There is a significant abandonment rate in regards for the number of students that begin the process, but fail to complete it. LACCD colleges have some of the highest abandonment rates in the state. There should be an examination of the data that is critical for the state to collect and a review of how that data is collected.

Faculty Obligation Number (FON)

Community college districts are required to increase their base number of full-time faculty over the prior year in proportion to the amount of growth in credit FTES. This is referred to as the Faculty Obligation Number (FON). The Los Angeles Community College District (LACCD) has hired over 500 full-time faculty over the last three years to meet its FON. There is an increasing need to offer more non-credit classes which do not count towards meeting the FON. Colleges are challenged with meeting the FON as a result of the financial uncertainties that lie ahead and have difficult decisions to make about where to place their priorities because of the restrictions in the law. The law needs to change to allow non-credit courses and noncredit faculty to count towards the FON.