

# Iowa Valley Community College District 2016 Congressional Updates

By Cindy S. Schulte, IVCCD Director of Governmental Affairs



## OCTOBER 2016

### National Student Loan Cohort Default Rate Declines

On Sept. 28, the U.S. Department of Education released information on the 3-year federal student loan cohort default rate. The rate dropped from 11.8 percent to 11.3 percent for students who entered a repayment process between FY2012 and FY2013. During FY13, more than 5.2 million borrowers entered repayment and 593,182 (11.3%) defaulted on their loans.

Several schools have been identified with high default rates, which may cause them to lose their eligibility to participate in or expand their federal student aid programs. The Total Look School of Cosmetology and Massage Therapy located in Cresco, Iowa, is included among a list of 10 schools which were recently identified by the ED.

### New Congressional Legislation

**H.R. 5587** – *Strengthening Career and Technical Education for the 21<sup>st</sup> Century Act*. (Sponsor: Rep. Glenn Thompson, R-PA-5) – The bill reauthorizes through FY2022

the Carl D. Perkins Career and Technical Education Act of 2008, divides career and technical education (CTE) students into CTE concentrators and CTE participants, and revises requirements for within-state funding allocations. The U.S. House of Representatives passed the bill on 9/14/2016 by a vote of 405-5 and the bill was sent to the Senate on 9/14/2016.

**S.3463** – *To amend the Internal Revenue Code of 1986 to exempt student workers for purposes of determining a higher education institution's employer health care shared responsibility*. (Sponsor: Sen. Ron Johnson, R-WI) – No text or summary of the bill was available for viewing on the website. The bill was referred to the Senate Committee on Finance on 9/29/2016.

**H.R. 6239** – *To amend the Higher Education Act of 1965 to improve Federal Pell Grants and loans*. (Sponsor: Rep. Peter A. DeFazio, D-OR-4). There was no text or summary of the bill available for viewing on the website. The bill was referred to the House Judiciary Committee on 9/28/2016.

**H.R. 6250** – *To amend the Higher Education Act of 1965 to allow qualified entrepreneurs to temporarily defer Federal student loan payments after starting a new business*. (Sponsor: Rep. Ruben Gallego, D-AZ-7). The bill did not

have a text or summary for public viewing on the website. The bill was referred to the House Ways & Means Committee on 9/28/2016.

**H.R. 6206** – *To amend the Higher Education Act of 1965 to authorize certain students in certain financial aid eligibility while completing a drug rehabilitation program*. (Sponsor: Rep. Bill Foster, D-IL-11). The bill did not have a text or summary for public viewing on the website. The bill was referred to the House Committee on Education and the Workforce on 9/28/2016.

**H.R. 5310** – *Creating Higher Education Affordability Necessary to Compete Economically Act*. (Sponsor: Rep. Loretta Sanchez, D-CA-46). The bill improves college affordability by increasing the maximum amount of a federal Pell Grant to \$9,410 for students and provides funding for year-round Pell Grant students. The bill was referred to the House subcommittee on Higher Education and Workforce Training on 9/19/2016.

**H.R. 4583** – *To promote a 21<sup>st</sup> century energy and manufacturing workforce*. (Sponsor: Rep. Bobby Rush, D-IL-1). The bill encourages the Secretary of Energy to prioritize education and training for energy and manufacturing-related jobs to increase the number of skilled workers trained in energy and manufacturing-related

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fields. The bill encourages all state education agencies to equip students with skills, mentorships, training, and technical expertise vital to managing and operating the nation's energy and manufacturing industries. The bill was referred to the House subcommittee on Higher Education and Workforce Training on 9/19/2016.

For more information on Congressional activity, please contact:

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***H.R. 5849 – New Jobs Training Act.*** (Sponsor: Rep. Dave Loebsack, D-IA-2). The bill directs the U.S. Secretary of Labor to carry out a grant program for employers to develop and carryout job training programs. An employer that receives the grant funds shall use the funds to partner with a community college to create a job training program for the purpose of training individuals for new jobs with the employer. The bill was referred to the House subcommittee on Higher Education and Workforce Training on 9/19/2016.

***H.R. 5761 – Train the Future Act.*** (Sponsor: Rep. Ami Bera, D-CA-7). The bill amends the Internal Revenue Code of 1986 to permit penalty-free in-service retirement distributions for employees serving as mentors. The bill was referred to the House subcommittee on Health, Employment, Labor, and Pensions on 9/19/2016.