



Weekly State and Federal Update

Thursday, July 2, 2020

State Update

- Both houses of the Legislature will return from their summer recess on **Monday, July 13th**. The two-year legislative session adjourns on August 31.
- The Secretary of State has released the numbers of all ballot measures on the November general election ballot; ACA 5 (Weber) which would overturn Proposition 209, will be **Proposition 16**. The Board of Governors will have a resolution before them endorsing Proposition 16 at the July 20th Board meeting.

Federal Update

- On June 30, U.S. Senator Patty Murray (D-WA) and Senate Democratic Leader Chuck Schumer (D-NY), introduced the [Coronavirus Child Care and Education Relief Act \(CCCERA\)](#), a new **stimulus bill** that **provides \$132 billion in funding for emergency financial aid grants to students and colleges, and \$2 billion for community college job training programs**. Similar to the formula in the HEROES Act, 75% of relief funds are based on the relative share of the total enrollment of Pell students at an institution, and 25% are based on the relative share of the total non-Pell enrollment. As Senate Majority Leader Mitch McConnell (R-KY) has indicated a willingness this week to consider a future Coronavirus relief package, the CCCERA is expected to play a major role in negotiations when the Senate returns from its July recess on July 20.
- Three controversial new changes to higher education regulations and policy undertaken by U.S. Education Secretary Betsy DeVos officially went into effect yesterday, though all are likely to face continued legal challenges from student advocates and equity groups:
 - The Obama-era **“gainful employment”** rule, which ensured for-profit colleges would be denied access to federal aid if their graduates had high monthly student loan payments and were unable to secure employment, has been **overturned**. On June 24, 13 states filed suit in federal court alleging that the repeal of the rule is improper and a “dismantling of critical safeguards to protect students in order to further the special interests of for-profit colleges.”
 - The revised **“Borrower Defense to Repayment”** rule sets more stringent standards than the Obama-era policy for forgiving federal student loans based on a college’s misconduct. It also eliminates the Obama-era ban on colleges forcing their students to settle many types of disputes against their school through arbitration, rather than in court.
 - Finally, a new rule governing **college accreditation** has taken effect. The policy eases some of the requirements that college accreditors must meet in order to obtain federal recognition, a status that enables colleges to be eligible for federal student aid. Consumer groups, think tanks and congressional Democrats have sharply criticized the new rule, claiming that it represents a further erosion of oversight of college effectiveness and quality.

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