

800 N. Third Street, Suite 405 Harrisburg, PA 17102 www.pacommunitycolleges.org

March 1, 2021

Testimony Presented to the House Appropriations Committee FY 2021-22 Community Colleges Budget Request

By

Elizabeth A. Bolden President & CEO, Pennsylvania Commission for Community Colleges

Pennsylvania's community colleges appreciate the opportunity to provide testimony to the House Appropriations Committee regarding the community colleges' FY 2021-22 budget request. The community colleges are grateful for the continued support of the Chairmen and Members of the Appropriations Committee and your interest in, and commitment to, the role of community colleges in the Commonwealth's education and workforce development systems.

The programs and services offered by Pennsylvania's community colleges enroll more than a quarter million students across all 67 Pennsylvania counties, making community colleges the largest provider of public postsecondary education in the Commonwealth. The academic, workforce and noncredit programs offered by the colleges provide life-changing opportunities for students and contribute to the Commonwealth's economic growth and global competitiveness.

Community college students come from diverse and unique backgrounds. Collectively, Pennsylvania community colleges serve more low-income and first-time college students than any other sector of higher education. Nearly half of community college students in the Commonwealth are considered very low-income, coming from families earning less than \$30,000 annually.

Nearly 70 percent of credit students attend school part-time, as many community college students have jobs or support families while enrolled. More than 45 percent of credit students receive financial aid, including the 23,789 students who received a PHEAA state-grant in 2019-20. Collectively, community college students received \$24.9 million in state grant support last year. Of the credit students who elected to report their race or ethnicity in Fall 2019, 39 percent are non-white.

When they complete their program of study, community college alumni make a significant impact in the fields in which they are employed, in their local communities and across the

Commonwealth. Community colleges and their students and alumni add as much as \$13.6 billion to the Commonwealth's economy, approximately two percent of the total gross state product. The reduced demand on government-funded services by those who complete their community college program saves taxpayers more than \$155 million annually.

Pennsylvania community colleges offer 1,324 credit programs. Approximately 40 percent of these programs are in the STEM-H fields and more than 75 percent align with Pennsylvania High Priority Occupations (HPOs), as identified by the Pennsylvania Department of Labor & Industry. In 2018-19, for example, Pennsylvania community colleges awarded over 75 percent of the associate degrees earned in nursing within the Commonwealth.

The colleges also specialize in workforce development and employee training. In 2019-20, the colleges partnered with 1,811 local employers across the Commonwealth to provide \$10.1 million of customized training for more than 75,000 Pennsylvania workers, including 12,705 individuals through partnerships with WEDNetPA. Through their workforce development program offerings, the colleges educate the Commonwealth's emergency services workforce – including firefighters, EMS, and police – as well as offer much-needed training for other in-demand HPOs like truck driver, nursing assistant, electrician, bookkeeper, and mechanic.

Obtaining a degree or postsecondary credential can be life-changing for students. Not only does a degree increase an individual's economic earning power and possibilities for career advancement, but degree attainment is also positively correlated with a wide range of personal and societal benefits. According to the Lumina Foundation, individuals with at least an associate degree are more likely to remain employed and to have a career that provides health insurance and retirement benefits. In their personal lives, they are more likely to report they are in good health, more likely to vote, volunteer, donate to charitable causes, and their children are more likely to continue their education past the high school level.

For many students, community college is just the beginning of their postsecondary journey. In 2019, more than 35,000 students from Pennsylvania community colleges transferred to another institution to continue their postsecondary study. Approximately 80 percent of these students transferred to another Pennsylvania institution. By starting at a community college, Pennsylvanians can save at least \$20,000 on the cost of higher education, reducing their overall student debt. According to the Jack Kent Cooke Foundation, students who transfer from community college have higher graduation rates than students enrolling from high school or transferring from other four-year institutions.

The colleges are committed to ensuring that Pennsylvanians continue to have access to affordable, high-quality postsecondary education and workforce training aligned with local and statewide industry needs. With the economic and employment disruptions caused by COVID-19, the role of community colleges in the Commonwealth is even more important. Pennsylvania must continue to support its community colleges to eliminate the Commonwealth's skills gap, increase the state's educational attainment level, and provide a foundation for the Commonwealth's economic recovery.

The Commission offers the following recommendations for the Committee's consideration:

Increase the community college operating appropriation.

For FY 2021-22, the colleges requested a five percent, or \$12 million, increase in the community college operating appropriation. This increase will provide funding so the colleges can continue to offer affordable, high-quality postsecondary education and workforce training aligned with local and statewide industry needs – particularly in technical fields that require hands-on, intensive instruction with industry-standard materials and equipment. These programs are costly and difficult to develop and maintain without appropriate public investment. If the Commonwealth wants to increase its postsecondary education attainment rate and create a highly skilled workforce to support business and industry, it must invest in the most effective providers of that education and training – its community colleges.

The Governor's FY 2021-22 budget recommended level operating funding for the 14 existing community colleges and recommended \$1.385 million for the operating needs at the newly established Erie County Community College.

The Commission requests that the operating line be increased to \$257.43 million to provide a five percent increase for existing community colleges and the recommended \$1.385 million for Erie County Community College.

Increase the community college capital appropriation.

For FY 2021-22, the colleges requested a two percent, or \$980,000, increase in the Transfer to the Community College Capital Fund appropriation to provide for one-half of the cost of approved capital projects. An increase in the capital line item is essential to ensure that every community college has financial support for capital needs.

Capital improvements and the funds that support them are critical if the colleges are to continue to meet the Commonwealth's education and training needs. Projects completed with these funds increase economic activity at the local level and provide the colleges with the resources to modernize their facilities as part of their ongoing efforts to meet education and workforce needs of the Commonwealth. In FY 2020-21, there was not enough money in the appropriation for the colleges to meet new capital needs; only five of fourteen colleges received new capital funding.

The Governor's FY 2021-22 budget recommended level capital funding for the 14 existing community colleges and recommended \$3.209 million for start-up and capital costs associated with the Erie County Community College.

The Commission requests that the capital line be increased to \$53.05 million to provide a two percent increase for existing community colleges and the recommended \$3.209 million for Erie County Community College.

Establish a statewide dual enrollment/early college program.

Dual enrollment (sometimes referred to as concurrent enrollment or early college) – programs in which secondary students enroll in postsecondary coursework and receive both college and high school credit simultaneously – is used by high school students to explore college options and earn college credit prior to high school graduation. Dual enrollment is a proven policy associated with a range of positive outcomes including reduced time-to-degree, quicker entrance into the workforce, increased high school graduation rates, increased postsecondary attainment rates (even after controlling for student, family, schooling achievements, and school context factors), reduced cost-to-degree, and lower student debt.

As the uncertainty caused by COVID-19 continues, dual enrollment offers a way to ensure high school students continue to access high-quality instruction. Pennsylvania should be doing everything it can to ensure its students have access to quality, college-level coursework that will propel them to postsecondary success, particularly given the current uncertainties associated with national standardized tests.

Unfortunately, Pennsylvania is one of only two states that does not offer a statewide dual enrollment program. The Pennsylvania Department of Education previously administered a grant program to support dual enrollment opportunities for students. This program awarded grants to school districts and area vocational technical schools to fund dual enrollment opportunities. The appropriation that supported the grant program for dual enrollment was eliminated in FY 2011-12. As a result, there have been significant changes in dual enrollment programs statewide. A variety of structures and funding mechanisms were implemented, but they have not been able to support a robust and equitable dual enrollment/early college framework across the state.

Pennsylvania's community colleges have been enthusiastic partners with secondary education in offering dual enrollment opportunities for students. Student enrollment in early college courses at Pennsylvania's community colleges steadily increased for several years, but growth has stalled with the lack of state support. During the 2019-20 academic year, 19,950 high school students were enrolled in Pennsylvania community college courses. This represents a 58 percent increase since 2009-10, brought about by the increased focus and commitment of Pennsylvania's community colleges to ensure that Pennsylvania secondary school students have the opportunity to experience the benefits of dual enrollment. However, in order for all Pennsylvania secondary school students to have access to dual enrollment, the Commonwealth needs to implement a statewide program.

Eliminate outdated and burdensome mandates and provide flexibility for community colleges to operate more effectively and efficiently.

The colleges have identified several areas of operation that are costly and burdensome. The colleges urge the General Assembly to consider policy, regulatory and statutory relief to allow the colleges to modernize and operate more effectively and efficiently. These requests include:

• Provide temporary and targeted immunity for community colleges.

Community colleges have developed and continuously refine extensive plans to foster the health and safety of their campus communities. However, even as they proceed with phased reopening, concerns remain about potential liability that could result from resuming on-campus operations. Even when the colleges follow all the guidance from federal, state, and local authorities, it is not possible to guarantee that individuals will not be exposed to, or contract COVID-19. Legal protections are needed to ensure that the colleges are protected from frivolous or opportunistic lawsuits alleging exposure to the virus. The Commission urges the General Assembly to consider providing these temporary and targeted legal protections.

• Eliminate the requirement for colleges to submit the tuition compliance calculations and related worksheets pursuant to Title 22, Section 35.29(d).

The calculation and the accompanying worksheets are no longer relevant, as reductions in state and/or local operating support results in a greater reliance on student tuition. Therefore, holding the colleges accountable for tuition compliance in an environment where state and local sponsors do not maintain their statutory commitment is inequitable. The elimination of this calculation would reduce the administrative and financial burden at the colleges and lower expenses, as the colleges' independent auditors would no longer charge for time spent calculating and/or verifying calculations. The Commission recommends eliminating this section in its entirety.

• Exempt community colleges from the Separations Act (71 P.S. §1618) or increase the project dollar threshold.

The Separations Act, enacted in 1913, requires construction projects over a certain threshold to solicit three separate bids and award multiple contracts. This requirement does not reflect changes in the construction industry that have occurred since its enactment more than 100 years ago and does not provide flexibility for colleges to determine the most appropriate method to bid and complete projects. The requirements of the Separations Act hinder efficient construction at the colleges and effective use of public dollars. The Commission recommends exempting community colleges from the provisions of the Separations Act or raising the threshold for projects requiring three bids to \$50,000.

• Authorize community colleges to award baccalaureate degrees.

Allowing community colleges to confer baccalaureate degrees – particularly in applied areas such as health care and technology – will help Pennsylvania meet the needs of employers and provide an affordable pathway to a baccalaureate degree for students who do not have the resources or ability to attend a traditional four-year university. The community college baccalaureate degree is also a demonstrated strategy to address racial inequalities. The Commission recommends that the School Code be amended to authorize community colleges to confer baccalaureate degrees.

Thank you for your consideration of these requests and recommendations.

Community colleges are an essential component of the Commonwealth's education and workforce development systems. The requested funds will help the colleges expand existing and develop new career and transfer pathways for students, in order to ensure they have access to highquality education, training, and other services that prepare them to be successful in future postsecondary education opportunities or careers. Failure to appropriately support the colleges limits their ability to develop new and affordable programs aligned with the Commonwealth's workforce needs.

The Commission hopes that the General Assembly will recognize the importance of supporting Pennsylvania's largest provider of public postsecondary education by including an increase in the community college operating and capital line items in the Commonwealth's FY 2021-22 budget that supports both existing and the new community college in the Commonwealth. An investment in community colleges is an investment in Pennsylvania's long-term economic vitality and strength. We look forward to working with the Chairmen and Members of the Committee to make these budget recommendations a reality.

Thank you.

Appendix A

The Pennsylvania Commission for Community Colleges is the membership organization of Pennsylvania's 15 community colleges established under Article XIX-A of the Public School Code. Each college provides a range of programming to respond to local, regional, and state needs. The college snapshots that follow offer a brief overview of the ways the 14 community colleges currently enrolling students improve lives and enrich communities in the Commonwealth. For further information on Pennsylvania's community colleges, visit www.pacommunitycolleges.org.