

Student Aid and Fiscal Responsibility Act

Ensuring SAFRA Serves Every Worker and Every Industry

January 2010

The “Student Aid and Fiscal Responsibility Act of 2009” (SAFRA) will significantly expand the capacity of community colleges to respond to rising demand for job training, and will help many workers gain critical skills so they can help begin rebuilding our economy. The bill moves our nation one step closer toward recognizing President Obama’s vision that every American obtain at least one year of training past high school, “be it at a community college or a four-year school, vocational training or an apprenticeship,” by:

- Better addressing problems associated with persistence and completion among students underrepresented in higher education through the creation of the College Access and Completion Innovation Fund;
- Making college more affordable for many students by increasing the Pell Grant and indexing it to inflation;
- Further simplifying the application for financial aid; and
- Creating a new Community College Initiative that supports innovative programs or programs of demonstrated effectiveness that lead to the completion of a postsecondary degree, certificate, or industry-recognized credential.

Although the bill makes significant advances in ensuring more workers will obtain the skills they need to succeed in today’s labor market and to maintain our nation’s competitiveness in a global economy, it could be strengthened in the following ways:

- **Ensure that nontraditional students such as independent students (working adults), students with dependents, and out-of-school youth without a high school diploma are included in the population targeted in the bill.**
- **Strengthen the language in the purposes of the College Access and Completion Fund to ensure that the program focuses *solely* on targeted populations** (as defined above) rather than “*particularly* for students from groups that are [targeted by the bill].” Issues of access and completion affect these students far more than any other group, and limited investments should be targeted to have the greatest impact for those with the highest need.
- **Clarify what is meant by completion under the College Access and Completion Fund.** As in the Community College Initiative, postsecondary education should be defined to include programs “that lead to a postsecondary degree, certificate, or industry-recognized credential leading to a skilled occupation in a high-demand industry.”



- **Expand the use of funds for articulation agreements to include non-credit coursework and to otherwise ease the transfer of credit between non-credit and credit coursework under the Community College Initiative.**
- **Expand the focus on “high-wage occupations” to include occupations that may reasonably be expected to lead to such wages.** Many very low-skilled or low-income individuals cannot obtain high-wage occupations initially, but the creation and promotion of career pathways can ensure that they move steadily toward higher wages. A focus on high-wage occupations exclusively may have the unintended consequence of excluding low-skill and low-income individuals, as well as certain industries that have pathways to higher-wage occupations, from these programs.
- **Include language to explicitly allow funds to support Sector or Industry Partnerships under the Community College Initiative.** Toward this end, the allowable use of funds could include “Expanding, enhancing, or creating designated capacity for community colleges and other postsecondary education providers to work with Industry or Sector Partnerships to better meet the skill needs of local industries and employers and to promote strategies proven to help students obtain the skills to access high-wage occupations, or occupations that may reasonable be expected to lead to higher wages, in high-demand industries.”
- **Restructure the Community College Initiative to capitalize on expertise already in the field.** This program is currently structured to first determine “best practices” before taking them to scale at the state level. However, there is already extensive knowledge about what works—concurrent or dual enrollment, integrated learning, “chunked” learning, compressed or accelerated formats, technology-based strategies, integrated wrap-around and supportive services—which is reflected in the allowable activities under this program. Rather than delaying state-level strategies—particularly when on-going work (such as the Joyce Foundation’s Shifting Gears program) clearly demonstrates that a key to the success of such programs is better alignment at the state / agency level—it seems to make more sense to fund the state grants first and then the implementation grants (or at least do them simultaneously). If that is not possible, perhaps think about phasing in the state grants sooner.
- **Clarify under the Community College Initiative the role of Community Based Organizations that work in partnership with community colleges to develop bridge programs and other remediation and support services.** Include language such as “Expanding, enhancing, or creating capacity for community colleges to partner with community-based organizations to provide bridge programs and other supportive services that promote persistence and completion to underrepresented and nontraditional students.”
- **Allow dislocated workers to use current year projected income under the proposed FAFSA simplification.** Given the widespread nature of economic dislocation and job loss across the country, it is important to ensure that dislocated workers seeking retraining do not face obstacles to enrollment in postsecondary education. While Financial Aid Administrators can currently use the professional judgment provision to consider the special circumstances of dislocated workers, it seems unlikely that this will occur in a widespread fashion. Professional judgment should be used on a case-by-case basis, not to address the needs of an entire category of aid seekers. Include language from the House-passed Higher Education Act reauthorization bill that addressed this issue.