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# A DEFINING MOMENT

*Community College League of California*

April 12, 2011

Here are updates on a few things before I hope on my plane from the American Association of Community Colleges convention in New Orleans back to California:

## **Federal Budget Deal Mixed Bag for Pell Grants**

This morning, details finally emerged about the current year spending deal reached late Friday night to keep the federal government operating through the rest of the year. The final deal maintains the current maximum Pell Grant level of \$5,550, but eliminates the "year-round" Pell Grant provision. According to the House Appropriations Committee, this will save \$35 billion over the next ten years.

In January, the House passed a bill to cut the maximum Pell Grant by \$845, which would have cut \$203 million in financial aid to 418,000 California community college students. As an alternative, President Obama called for eliminating the year-round Pell Grant.

The elimination of the year-round grant will affect 23,000 California community college students who receive a grant, most often for summer school. As many colleges cut back summer school offerings due to budget cuts, we prefer the elimination of the year-round program as an alternative to slicing the grant award amount, if Pell Grants must be cut.

Cutting back on funds for higher education access at all, however, seems stupid and economically short-sighted. The Pell Grant program is expensive, and the cost has grown dramatically as the "Tidal Wave II" bubble moves through college, millions of unemployed workers return to school, and more students get the maximum award because of tuition increases in the public sector and the skyrocketing enrollments at costly for-profit institutions.

The program [doubled](#) from \$16 billion to \$32 billion between 2008-09 and 2010-11, as 2.7 million students became eligible and the average grants climbed \$1,200. However, as the economy improves, the cost of the program will decline significantly. As a priority though, it's a relatively cheap investment in our future compared to the one-year 2% "payroll tax holiday" costing \$110 billion that was added to the tax cuts package at President Obama's urging last December. That new tax cut, which surprised even the strongest supporters of the Bush tax cut extensions could have used to avoid these Pell Grant cuts, with \$65 billion left over.

The "starve the beast" mentality--cut taxes and then programs will have to be cut later--seems to be controlling the debate in Washington, and both parties share blame.

Unfortunatly, the "beast" in this case are poor college students.

Nevertheless, this was a win. Thank you for your advocacy, and be prepared to keep up the fight!

## **League Partner Sunpower Brings Manufacturing Jobs to California**

Today, at a press conference with Governor Jerry Brown and US Secretary of Energy Steven Chu, Sunpower Corporation and its partner Flextronics will dedicate a solar panel manufacturing plant in Milpitas, California. The plant brings 100 manufacturing jobs to the Silicon Valley and will produce 75 megawatts per year of solar panels.

Sunpower, headquartered in San Jose, is the League's partner in our solar program. The League has worked with twelve community college districts in solar panel acquisition and financing, and has encouraged Sunpower to locate more manufacturing jobs in California.

## **USA Today Announces All-USA Community College Academic Team**

Yesterday, USA Today published the names of 20 outstanding community college students from across the country who made the All-USA Community College Academic Team. Three of California's community college students were among those recognized from a pool of more than 1,600 students nominated by 800 colleges across the country.

Congratulations to:

- Cassandra Beverly, Merritt College
- Kellee Green, Long Beach City College
- Alina Turpin, Cerritos College

On March 21, the League hosted a luncheon in Sacramento for all of the state's honorees. The luncheon is my favorite event of the year. For a couple of hours, we set aside the budget woes and get to recognize and meet with amazing students who are leading their peers in both academics and community service.

I encourage you to review the [program for the luncheon](#), which has short biographies on all of the inspirational students.

Congratulations to all of the students recognized this year by Phi Theta Kappa!

Sincerely,



Scott Lay  
President and Chief Executive Officer, The League

Orange Coast College '94

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