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> Statement of Diane Bosak, Executive Director PA Commission for Community Colleges Before the Senate Education Committee Harrisburg, PA May 15, 2013

Good morning Senators Folmer and Dinniman and members of the Senate Education Committee. I am Diane Bosak, Executive Director of the Pennsylvania Commission for Community Colleges. I am pleased to be here to discuss higher education accessibility and affordability and several specific pieces of legislation.

Community colleges are open access institutions that serve as the only feasible gateway to higher education for so many Pennsylvanians. Pennsylvania's 14 community colleges are currently serving more than 429,000 students through credit programs or in noncredit workforce development. In addition, we serve 45,468 individuals through our contracted training with - at most recent count, 1,333 - employers and an additional 19,266 workers through WEDnetPA. Nearly 12,000 students through dual enrollment and 3,400 veterans bring the total to just shy of a half -million **Pennsylvanians** who take advantage of our excellent and affordable community colleges.

Allow me to provide a broad overview of our student demographic: 98% of our students are Pennsylvanians representing all 67 counties, 40% are 25 years of age or older, 32% are minorities, 63% attend part-time, and 56% receive financial aid. The median family income for students across our institutions is \$26,058 while the state's median family income stands at \$49,288. Our community colleges are clearly meeting a need that would otherwise go unfilled and why maintaining higher education and accessibility are critical to the economic future of the Commonwealth. If I may, I wish to discuss the three bills that are the subject of this hearing separately starting with Senate Bill 713, the Development, Relief and Education for Alien Minors or DREAM. Each year, approximately 65,000 undocumented students graduate from high schools across the country. The students are first-generation immigrants who were largely raised in this country and consider themselves Americans. As a matter of fairness for students who are in this difficult situation through no fault of their own, community colleges and universities have long supported efforts to remove state and federal barriers to higher education for undocumented students who were raised and educated in the United States.

In a report on the economic benefits of passing the DREAM Act, research by Notre Dame economists Juan Carlos Guzmán and Raúl Jara finds that passing DREAM would add \$329 billion to the U.S. economy by 2030. The DREAM Act provides a double boost to the economy: First, DREAMers will be able to work legally (generally at higher wages), and second, because of the requirements to complete high school and some college or military service, they will have more education and training, which translates into better and higher-paying jobs. All of these extra wages circulate through the economy, supporting new job creation for the native born as well. The report notes that for Pennsylvania with 25,000 DREAMers, the economic impact would be \$2.46 billion. In addition, it would create 10,661 new jobs for the Commonwealth and generate \$77 million in tax revenue.

Undocumented students want to contribute to our society both economically and socially. Passage of the DREAM Act in Pennsylvania will offer opportunities to these students and will also benefit the state overall. Pennsylvania's community colleges urge the legislature to take swift action on this issue now.

I will now shift focus to Senate Bill 78 which eliminates the 50% rule for distance education programs under PHEAA state grant eligibility. Since 2005, the first year we collected comprehensive data across the 14 colleges on the delivery of online credit hours, the institutions collectively have experienced a nearly 120% increase in the number of these credit hours. In fall 2012, there were 13,000 students enrolled exclusively in online courses. The growth of online education is clear.

Pennsylvania community colleges receive the smallest portion of the overall PHEAA state grant awards and total dollar value - 18.9% of total awards and 6.3% of the total value in the most recent academic year. The average award in this current academic year for a community college student is \$1,052.

While community colleges support the elimination of the 50% rule, we urge caution in implementing such changes. PHEAA is conducting a pilot currently and we would like to see these results before moving forward. It is critical to understand the current and future implications of eliminating PHEAA's current policy and how this may impact the state grant program. We also believe that there must be a level of criteria placed on the types of programs or institutions offering the distance education to ensure that this benefits Pennsylvania students while not undermining the state grant program.

On Senate Bill 420, the Middle Income Student Debt Reduction Act, we would offer our general support. As cited previously in this testimony, the median family income for students across the 14 colleges is \$26,058. Our top priority is in preserving access to increasing numbers of Pennsylvanians who have few, if any, other options to pursue higher education.

I would be remiss if I did not state that our community colleges believe the importance of core state support of and increased investment in public higher education is essential to maintaining affordability. Pennsylvania is ranked 45<sup>th</sup> in the nation in state support for public higher education - a factor that has contributed to the higher tuition costs among these institutions. More low and middle class income Pennsylvanians are finding the American dream further out of reach. Despite the national headlines, education continues to be the great equalizer and the ladder to improved personal prosperity as well as the state's economic competitiveness.

Again, thank you for opportunity to share these comments and will be pleased to respond to questions at this time.