

Community College

1 Campus Drive • Monaca, Pennsylvania 15061-2588 • 724-775-8561 • www.ccbc.edu



Beaver  
County

**TUITION RELIEF ACT HEARING**

**TESTIMONY OF DR. JOE D. FORRESTER**

**PRESIDENT, COMMUNITY COLLEGE OF BEAVER COUNTY**

**MAY 7, 2009**

Let me begin by thanking you for the opportunity to speak on behalf of the proposed Tuition Relief Act. My name is Joe Forrester, and I am currently President of the Pennsylvania Commission for Community Colleges. However, I am here today in my other role as President for the Community College of Beaver County. For several years now, community colleges in Pennsylvania have advocated an agenda promoting affordability and access to higher education for residents of the Commonwealth. In this currently challenging economic environment, I believe it is an opportune time for the General Assembly to move forward by making the issues of access and affordability to public higher education a key priority.

There has been much discussion of this proposed legislation providing tax relief to lower and middle income families who struggle with the costs of sending their sons and daughters to college. As part of my testimony, I will suggest that the legislation should also provide tax relief for parents who themselves need to enter college in order to develop the skills and knowledge to thrive in today's global economy.

Much has been made about the rising costs of higher education and there have been numerous comments about the burden to the tax payers of Pennsylvania. In response, I would cite language from a recent report entitled "*Coming to Our Senses: Education and the American Future*" issued by the College Board. In part, the report notes that "economists have demonstrated over and over again that expenditures on education are not costs, but investments in a better tomorrow." It also notes that "...the reality is that the future of the United States and the health of its economy depend largely on the productivity its people." For Pennsylvania, I am suggesting that the Commonwealth needs to invest in the productivity of our people by providing increased access to public higher education as a vehicle for economic recovery.

Allow me to explain. In the May 11, 2009, issue of *Business Week*, there is an article entitled "Help Wanted." The article begins by stating that "In the midst of the worst recession in a generation or more, with more than 13 million people unemployed, there are approximately 3 million jobs that employers are actively recruiting for but so far have been unable to fill." The author, Peter Coy, notes this is not good news and continues to indicate it is "evidence of an emerging structural shift in the U. S. economy that has created serious mismatches between workers and employers." He suggests that "People thrown out of shrinking sectors such as construction, finance and retail lack the skills and training for openings in growth fields including education, accounting, health care and government."

It is the "mismatch" of skills between those that workers currently possess and those employers expect that is of concern. The U. S. Department of Labor Statistics reports that 60% of current jobs require education beyond high school and suggest that the number will increase to 80 % in the near future. Workers in Beaver County aren't sufficiently prepared for this future. The most recent estimates from the U. S. Census Bureau show that among members of the

incumbent work force, individuals age 25 and over, 3.5% have less than a 9<sup>th</sup> grade education; 8.1% have at least a 9<sup>th</sup> grade education but never graduated from high school; and 43.6% have a high school diploma or GED as their highest level of educational attainment.

Totaled, this means that 55.6% of the workforce in Beaver County has a high school diploma or less at a time when 60% of the jobs require education beyond high school. For Pennsylvania as a whole, the number of people with a high school diploma or less represents 52% of the population age 25 and over. I would suggest that the Commonwealth will struggle to attract and retain new industry and new jobs until we invest in increasing the educational level of both recent high school graduates and of working adults.

Recently, the National Center for Public Policy and Higher Education issued a report entitled *The Challenge to States: Preserving College Access and Affordability in a Time of Crisis*. The Center's statement was developed to address the use of federal stimulus dollars by the states under the American Reinvestment and Recovery Act (ARRA), but it can certainly be applied more broadly. The statement, in part, urges policymakers to:

- Establish undergraduate access and affordability as the highest priority for state higher education policy and support.
- Protect access by accommodating all eligible students seeking to enroll at two- and four-year public institutions and prohibit practices that discourage college participation by at-risk students
- Preserve the educational safety net by prioritizing affordable tuition at broad access institutions serving students from low-and middle-income families.

I would hope that these principles will guide discussions and negotiations as the General Assembly debates the 2009-2010 state budget and that you will clearly communicate “access and affordability as the highest priority” of the General Assembly.

The proposed tuition relief program recognizes the financial reality being faced by of many middle income students and their parents. It is a reality that the costs of higher education may be reaching a point where access is being denied, and such a result could have tragic consequences for students, parents and the

Commonwealth as a whole. I believe this is the dilemma the Tuition Relief Act seeks to address.

Affordability is clearly a critical factor in maximizing access to higher education. A 2008 publication entitled *Measuring Up, The National Report Card on Higher Education* noted that students and their families in the very lowest income groups as well as lower-middle income students were, on average, having to devote up to 44% of their annual income to attend community colleges even after receiving financial aid.

There also needs to be an acknowledgement that existing aid programs are not accessible to all students seeking to attend our institutions. In 2007-2008, at the Community College of Beaver County,

- 44% of full-time students receive no financial aid
- 70% of part-time students receive no financial aid
- 9.9% of students who enrolled for Fall 2008 were dropped for non-payment of tuition and fees.

As you can see, the Tuition Relief Act has the potential to fill a significant void for individuals seeking to attend my institution.

Current programs available through the Pennsylvania Higher Education Assistance Agency (PHEAA) provide minimal assistance for community college students. For 2007-2008, only 463 students from CCBC qualified for a PHEAA state grant and the average grant totaled \$1,029. State-wide, community colleges enroll approximately 22% of all undergraduate students, but our students receive only 4.4% of the total dollars distributed through Pennsylvania Higher Education Assistance Agency (PHEAA) grants program. The average award to community college students totaled \$1,566, and the total value of the grants to community college students equals less than \$19 million. Compare that allocation to the \$91.5 million being allocated to students attending the PASSHE universities, the \$119.2 million for students attending state related universities, and the \$159.7 million to students attending private colleges and universities.

A recent report issued through the Rural Community College Initiative demonstrated that student aid policies have reinforced inequities for low-income students. The report noted that the policies often "favor higher-income students (concentrated at public flagship universities and private institutions) over the first-generation college-goers at community colleges and regional universities.

With the focus on public institutions, I believe the Tuition Relief Act seeks to address this disparity.

Over the last ten years, the tuition rate at CCBC has increased by slightly less than 25%, a rate of increase below the CPI for the same period. For 2009-2010, our tuition and fees for a full time student are relatively moderate, approximately \$1,700 per semester. However, students attending programs requiring access to advanced technologies in areas such as Health Occupations, Visual Communication and Aviation may also be assessed academic enhancement fees ranging from \$100-\$1000 per course. This means a Nursing student will pay an additional \$200 per semester in tuition and fees and an Air Traffic Control student will pay an additional \$1600. Although we have been conservative in increasing tuition and fees, my concern is that our current price structure may be approaching a point that is beyond the reach of some and a significant financial stretch for many more.

The author, Michael Crichton, once wrote "We looked at the world around us as a snapshot when it was really a movie, constantly changing. Of course we knew it was changing, but we behaved as if it wasn't. We denied the reality of change,

and change always surprised us.” I will suggest that we are in the midst of monumental change in education, in our economy and in our work force. It is change that we cannot not ignore if we are to prepare our workforce for economic recovery.

Anthony Carnevale, a labor economist and Director of the Center on Education and the Workforce at Georgetown University recently stated, “In the current recession, temporary job loss (when people lose jobs but go back to the same occupation) has essentially disappeared. The jobs being permanently lost are jobs that don’t require a postsecondary education. Meanwhile, a whole series of occupations including fields like welding and manufacturing, once considered low-skill jobs, are requiring postsecondary credentials.” This is the change we face.

Higher education is no longer a luxury. We hear it from employers who tell us about needing workers who possess skills in math, science, and technology, who need to be proficient in problem solving and working in teams and who are culturally literate. Public policy needs to acknowledge this reality and remove barriers to access by enacting programs such as the Tuition Relief Act.

At the same time, such actions must be taken in a manner that is fiscally responsible and provides assistance to the greatest number of students. I believe this can be achieved by enacting the Tuition Relief Act to assist individuals and families attending one of the Commonwealth's 14 public community colleges or 14 state universities. These institutions have proven themselves to be willing partners in the implementation of public policy and our contributions should be recognized in the further development of public policy.

In closing, I want to leave you with another quote from *Coming to Our Senses*: Investments in education are "repaid, many times over, in higher incomes, increased productivity and lower expenditures on public assistance, public housing and the criminal justice system." Again, the expenditure is an investment, not a cost, and I believe the Tuition Relief Act represents an investment of the resources of the State in the assets of the State to strengthen the economy and the future of the State.

Thank you for providing me the opportunity to share these remarks today. I will be pleased to respond to any questions you may have.