



BARACK OBAMA: PREPARING AMERICA FOR 21ST CENTURY JOBS

“An ever-expanding American Dream: this is the legacy – and the promise – of the community college system in America. It’s a system based on the principle that we all have a stake in one another’s success. Because when we invest in one another’s dreams, our communities benefit, our states benefit, and ultimately our entire nation is lifted up. We are in a moment when folks are finding it harder and harder to get ahead. You need new skills to compete, and everything – especially education – costs more. That’s why it’s time to call upon our community colleges once again. To make sure that the 21st century is just as much the American Century as the 20th. To put a little wind at the backs of the American people, and to put more of them on the pathway to their dreams.”

BARACK OBAMA’S PLAN TO SUPPORT COMMUNITY COLLEGES AND IMPROVE WORKFORCE DEVELOPMENT PROGRAMS

America’s competitiveness in the 21st Century depends on workers acquiring the skills and knowledge they need to compete in the increasingly global economy. Any strategy to improve our competitiveness must involve strengthening elementary and secondary education so that more students graduate from high school and college. But many Americans enter the workforce without either attending or graduating from college. These workers need educational, skills development, and training opportunities that will allow them to increase their families’ standard of living and, at a minimum, secure their place in the middle class. Nearly half of all job openings between 2004 and 2014 will be in occupations requiring an associate’s or vocational degree, according to the Bureau of Labor Statistics. As president, Barack Obama will invest in community colleges, career-technical education, and workforce development to ensure that Americans are prepared for rewarding and dynamic 21st-century jobs and are assured a fair opportunity to achieve the American Dream.

I. SUPPORT STUDENTS ATTENDING COMMUNITY COLLEGES

Community colleges are a vital component of our higher education system, serving 12 million people each year, almost half the undergraduate students in the U.S. In Iowa, the percentage of public high school graduates pursuing or intending to pursue postsecondary education at one of the state’s 15 community colleges has continued to increase for the last seven years. In 2000, community colleges accounted for 29 percent of the graduate intentions while public four-year colleges and universities accounted for 28 percent. In 2007, however, 38 percent of Iowa public high school graduates are pursuing community colleges compared to 26 percent pursuing public four-year colleges and universities.

Without community colleges, millions of people would be unable to access the education and skills they need to advance their studies and succeed in the workplace. Community colleges educate workers in some of our most vital sectors. For example, 50 percent of new nurses and 80 percent of firefighters, law enforcement officers and emergency medical technicians were trained at community colleges. Moreover, a community college degree is an excellent investment: the average expected lifetime earnings for a graduate with an associate degree are \$1.6 million, about \$400,000 more than a high school graduate earns.

Create the American Opportunity Tax Credit

Barack Obama will make tuition at community college completely free for most Americans by creating a new American Opportunity Tax Credit. This fully refundable credit will ensure that the first \$4,000 of a college education is free. With tuition and fees at community colleges averaging about \$2,300, the American Opportunity Tax Credit will eliminate tuition expenses entirely for lower-income and middle-class families. And by making the tax credit fully refundable, Obama's credit will help low-income families that need it the most. Obama will also ensure that the tax credit is available to families at the time of enrollment by using prior year's tax data to deliver the credit at the time that tuition is due, rather than a year or more later when tax returns are filed.

Create a New Community College Partnership Program

Barack Obama will create a Community College Partnership Program to strengthen community colleges by providing grants to (a) conduct more thorough analysis of the types of skills and technical education that are in high demand from students and local industry; (b) implement new associate of arts degree programs that cater to emerging industry and technical career demands; and (c) reward those institutions that graduate more students and increase their numbers of transfer students to four-year institutions. These efforts will ensure that community college students are able to directly use their skills in the workforce following graduation, and be prepared to continue their higher education if they so desire. And the grants will support programs, such as Iowa's 2 Plus 2 Guaranteed Graduation Plan that facilitate transfers from two-year institutions to four-year institutions. This measure is incredibly important today as the annual transfer rate of Iowa associate degree recipients to four year institutions decreased from 55 percent to 39 percent from 2003 to 2005.

Enhance Competitiveness in Science, Technology, Engineering, and Mathematics

Barack Obama understands the vital role that community colleges play in strengthening our nation's competitiveness in science, technology, engineering, and mathematics (STEM). About 38 percent of those who earned bachelor's or master's degrees in computer and mathematical sciences first earned an associate's degree at a community college. Under Iowa's Postsecondary Enrollment Options (PSEO) program, which allows high school students to take postsecondary courses at eligible postsecondary institutions, 85 percent of courses in 2006-2007 were taken at community colleges, and 90 percent of the courses were in mathematics, science, social sciences, and humanities. Obama will work to increase the number of science and engineering graduates and representation of minorities and women in the science and technology pipeline, tapping the diversity of America to meet the increasing demand for a skilled workforce. Community colleges are extremely important as an entry point for underrepresented groups and nontraditional students in STEM. Obama realizes the importance of recruiting talented teachers to train the next generations of STEM students at community colleges, and will help make this a national priority. As president, Barack Obama will support authorization of the National Science Foundation's Advanced Technological Education program at \$100 million, a critical program that has helped support STEM programs in community colleges.

Simplify the Application Process for Financial Aid

The application process for financial aid is cumbersome and evidence reveals that it prevents some students from applying for college. Research has shown that the low take-up rate of the Pell Grant and HOPE and Lifetime Learning tax credit programs is likely due to the complexity of the application process. The current Free Application for Federal Student Aid (FAFSA) is 5 pages and 127 questions – making it longer and more involved than many federal tax returns. Not surprisingly, over 1.5 million high school students failed to apply for aid in 2004, despite being eligible for a Pell Grant. A recent study by Susan Dynarski and Judith Scott-Clayton found that the costs of complexity in our financial aid processes fall most heavily on low-income, non-white, and non-English speaking youth. Barack Obama will simplify the financial aid process by eliminating

the FAFSA and its complicated calculations altogether. Instead, aid would be based on a much simpler yet equally accurate formula, so that students can predict their eligibility well in advance. The aid process will be streamlined by enabling families to apply simply by checking a box on their tax form, authorizing their tax information to be used and eliminating the need for a separate application.

Expand Pell Grants for Low-Income Students

Over the past two decades, limited increases in Pell grants have eroded their capacity to cover college costs. Community college students are particularly dependent on Pell Grant funds, receiving about a third of all Pell Grant funds. In Iowa, more than 4,000 community college students receive Pell Grant funds each year. The first bill Barack Obama introduced in the U.S. Senate would have helped make college more affordable for many Americans by increasing the maximum Pell Grant from the limit of \$4,050 to a new maximum of \$5,100, which would cover 68 percent of tuition, fees, room and board at a public two-year college. In the Senate, Obama has worked in a bipartisan way to achieve an increase in the Pell Grant to \$5,400 over the next few years. As president, Obama will continue to work to ensure that the maximum Pell Grant award is increased for low-income students by ensuring that the award keeps pace with the rising cost of college inflation.

Eliminate Costly Bank Subsidies

Currently, there are two basic college loan programs: the Direct Loan system, funded publicly, and the Federal Family Education Loan Program, funded privately by banks and lenders who receive subsidies and guarantees from the government. Privately funded loans cost more per loan than the Direct Loan program and provide no greater benefits. Obama will save taxpayer money billions by eliminating the more expensive private loan program, and directing that money into aid for students.

II. ENSURING OPPORTUNITIES FOR SKILLS DEVELOPMENT

Increased globalization and rapid developments in technology are changing the very nature of work in America. Our children will have to compete not just with the child from around the corner or across the state, but also with the child from Bangalore or Beijing. For those workers with unique abilities, talents or knowledge, the global economy offers great rewards. But others who must compete for low-wage service jobs often find limited health benefits, no retirement benefits and no ability to save for college education for their children or the down payment for a home. Our children will have to compete not just with the child from around the corner or across the state, but also with the child from Bangalore or Beijing. While most workers will need some form of higher education to gain access to the good jobs of the future, that alone will not shield them from the forces of global competition.

Barack Obama understands that if our workforce is to adapt to the changing 21st-Century environment, our government must work with business, labor, and educational institutions to provide a flexible process of continual retraining, a workforce system that helps with transitions from school or training to the job and between jobs.

Reauthorize the Workforce Investment Act

While colleges and universities play an important role in providing the skills necessary to compete, training, particularly on-the-job training, is critical because of rapid changes in technology and employer skill needs. The Workforce Investment Act (WIA) helps fund 59 local offices throughout Iowa that provide a one-stop solution for employment assistance. Barack Obama supports reauthorizing the Workforce Investment Act with a focus on providing high-quality education and training services and creating pathways to skills and credentials that have value in the labor market. There must be a shift in focus from adult education to postsecondary education, which could include remediation, GED preparation and English-language training. Obama believes we must make clear that WIA supports this transition training.

Increase Workforce Development Funding

Community colleges depend on workforce development funding from the Carl D. Perkins Vocational and Technical Education Act. Iowa receives more than \$13 million in grant money from this fund. These grants are used for innovative occupational education curricula; helping students meet challenging academic, vocational, and technical standards; training first responders and public safety officers; purchasing equipment; supporting professional development; and strengthening important links between the institutions and businesses. Obama will ensure the Perkins Vocational program is adequately funded.

Promote Life-long Learning in Partnership with Organized Labor

Barack Obama supports the efforts of organized labor to promote lifelong learning. For example, the Communication Workers of America has been a leader in promoting life-long learning through jointly negotiated, funded, and administered education and training programs. Similar joint workforce development programs are funded through collective bargaining in the auto, steel, aerospace, health care, hospitality, and other industries. Craft unions in the construction and entertainment industries have well-established apprenticeship and lifelong training programs. Obama will direct his Department of Labor to expand its support for and partnership with these programs, including successful programs that seek to reach untapped pools of talent among women, people of color, older workers, individuals with disabilities and disadvantaged communities.

Partner with Community College Computer Labs

According to the U.S. Census Bureau, 56 percent of employed Americans age 18 years and older use a computer at work, and 42 percent use the Internet at work, a trend that will continue to grow. Tens of millions of Americans graduated high school or even attended college in the years before computers and the Internet became ubiquitous. Many of them are now entering, or are already in, what should be their most productive and highest-earning years. But without basic information technology skills, many workers will find advancement difficult and face being locked out of the mainstream workforce entirely. The U.S. has a cost-effective and ready-to-deploy infrastructure already in place to provide universal access to basic information-technology skills: the computer labs of the nation's network of community colleges. For example, Northeast Iowa Community College has computer labs at each of its seven locations.

Barack Obama will provide federal grants to community colleges to make their on-campus computer facilities into powerful, part-time community resources for training workers who are not their students. The typical community-college computer lab is open and used by students 66 hours per-week. These hours are highly concentrated in the daytime of weekdays, when most working people are at their jobs. Under Obama's plan, the federal government will provide funding to help defray costs of keeping labs open and staffed by community college instructors an additional 30 hours each week, on evenings and weekends when these labs are generally closed or little-used. Under this plan, community colleges could provide every worker in America access to training in information and communications technologies.