

Calendar No. 114

110TH CONGRESS }
1st Session

SENATE

{ REPORT
110-52

TO EXTEND THE DISTRICT OF COLUMBIA
COLLEGE ACCESS ACT OF 1999

R E P O R T

OF THE

COMMITTEE ON HOMELAND SECURITY AND
GOVERNMENTAL AFFAIRS
UNITED STATES SENATE

TO ACCOMPANY

S. 343

TO EXTEND THE DISTRICT OF COLUMBIA COLLEGE ACCESS ACT
OF 1999



APRIL 11, 2007.—Ordered to be printed

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WASHINGTON : 2007

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APRIL 11, 2007.—Ordered to be printed

Mr. LIEBERMAN, from the Committee on Homeland Security and
Governmental Affairs, submitted the following

R E P O R T

[To accompany S. 343]

The Committee on Homeland Security and Governmental Affairs, to which was referred the bill (S. 343), to extend the District of Columbia College Access Act of 1999, having considered the same reports favorably thereon without amendment and recommends that the bill do pass.

I. PURPOSE AND SUMMARY

The purpose of S. 343 is to reauthorize for five additional years the public school and private school tuition assistance programs established under the District of Columbia College Access Act of 1999.¹

II. BACKGROUND AND NEED FOR THE LEGISLATION

The District of Columbia College Access Act of 1999 established the District of Columbia Tuition Assistance Grant (D.C. TAG) program for District residents. The aim of the D.C. TAG program is to assist District students, who do not have access to state-supported education systems, in attending institutions of higher education.

The D.C. TAG program provides scholarships to District residents to cover the difference between in-state and out-of-state tuition at state universities nationwide. Individual scholarship awards are capped at \$10,000 per student per school year, with a cumulative cap of \$50,000. In addition, the law provides District resi-

¹ Public Law 106-98.

dents who attend private institutions of higher education in Virginia, Maryland, and the District of Columbia with tuition grants of up to \$2,500 per student per school year with a cumulative cap of \$12,500 per student.

In 2002, the District of Columbia College Access Improvement Act of 2001² amended the program to allow District residents attending Historically Black Colleges and Universities (HBCUs) nationwide to receive tuition grants of \$2,500 per student per school year, with a cumulative cap of \$12,500 per student. The 2002 Act also eliminated the requirement that District residents must continue on to college within three years of high school graduation; expanded eligibility to include all District residents who have resided in the District of Columbia for at least five consecutive years prior to applying for the grant and who were enrolled at an eligible institution as of the date of enactment; and established a dedicated account for the resident tuition support program. In 2004, the program was reauthorized for an additional two years.³

Since the first grants were awarded in 2000, the program has dispersed more than 26,000 grants, totaling over \$141 million to 9,769 District students.⁴ More than 1,500 have graduated from college. The District of Columbia has seen a 60 percent increase in college attendance,⁵ with 55 percent of the students being the first in their family to attend college.⁶

S. 343 extends the authorization for five additional years. The extension will ensure that District of Columbia residents continue to have access to institutions of higher education.

III. LEGISLATIVE HISTORY

On January 22, 2007, S. 343 was introduced by Senator Voinovich and cosponsored by Senators Akaka, Brownback, Landrieu, Lieberman, and Warner. The legislation was referred to the Homeland Security and Governmental Affairs Committee.

On February 15, 2007, by voice vote, the Committee on Homeland Security and Governmental Affairs ordered S. 343 reported favorably without amendment.

IV. SECTION-BY-SECTION ANALYSIS

Section 1. 5-Year reauthorization of tuition assistance programs

This section amends the D.C. College Access Act of 1999 by striking ‘each of the 7 succeeding fiscal years’ and inserting ‘each of the 12 succeeding fiscal years’ in section 3, the public school program section, and in section 5, the private school section.

V. EVALUATION OF REGULATORY IMPACT

Pursuant to the requirement of paragraph 11(b)(1) of rule XXVI of the Standing Rules of the Senate the Committee has considered the regulatory impact of this bill. CBO states that there are no

²Public Law 107–157.

³Public Law 108–457.

⁴Statistics provided by the District of Columbia State Education Office.

⁵Statistics provided by the District of Columbia State Education Office.

⁶Examining the Challenges the District will Face Today, Tomorrow, and in the Future: Hearing Before the Senate Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, Committee on Homeland Security and Governmental Affairs, S. Hrg. 109–511 (2006) (testimony of Anthony A. Williams).

intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and no costs on State, local, or tribal governments. The legislation contains no other regulatory impact.

VI. ESTIMATED COST OF LEGISLATION

S. 343—A bill to extend the District of Columbia College Access Act of 1999

Summary: S. 343 would amend the District of Columbia College Access Act of 1999 and reauthorize the District of Columbia tuition assistance grant (DCTAG) program for students who are residents of Washington, D.C. Current law authorizes the appropriation of such sums as may be necessary through fiscal year 2007, and S. 343 would extend this authorization through fiscal year 2012. CBO estimates that the necessary appropriations would total \$208 million over the 2008–2012 period. Outlays would match this total over the same period. The bill would have no significant impact on direct spending or revenues.

S. 343 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary impact of S. 343 is presented in the following table. The cost of this legislation falls within budget function 500 (education, training, employment, and social services).

ESTIMATED BUDGETARY EFFECTS OF S. 343

	By fiscal year, in millions of dollars—					
	2007	2008	2009	2010	2011	2012
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law:						
Estimated Authorization Level	33	0	0	0	0	0
Estimated Outlays	33	0	0	0	0	0
Proposed Changes:						
Estimated Authorization Level	0	30	41	44	46	47
Estimated Outlays	0	30	41	44	46	47
Spending Under S. 343:						
Estimated Authorization Level	33	30	41	44	46	47
Estimated Outlays	33	30	41	44	46	47

Basis of estimate: For this estimate, CBO assumes that S. 343 will be enacted during 2007 and that the estimated amounts will be appropriated for each year.

Current Law

Under current law, DCTAG provides financial assistance to D.C. residents who attend public colleges outside of the District of Columbia, private postsecondary institutions in the District of Columbia, Maryland, or Virginia, or any historically black college or university. The private-school tuition grants are restricted to nonprofit institutions. Students who attend public schools receive assistance equal to the difference between the tuition paid by residents of the state in which the institution is located and the tuition charged to nonresident students, with an annual limit of \$10,000 and a lifetime limit of \$50,000. Private-school students receive a \$2,500 maximum annual grant, with a lifetime limit of \$12,500.

According to data from the District of Columbia's State Education Office (SEO), the cost of DCTAG has grown substantially since the program's inception (academic year 2000–2001). For the 2005–2006 academic year, the most recent year for which final data are available, just over 3,800 students attending public institutions and 900 students attending private schools received awards. Both the number of participants and the size of average award have increased over time. Growth has been particularly high for students attending public schools.

Current law authorizes the appropriation of such sums as may be necessary through fiscal year 2007. The Congress appropriated \$33 million for this program in fiscal year 2007, although costs will likely exceed this total. Because costs for DCTAG were lower than the appropriated sums during the early years of the program, however, the SEO has been able to use carryover funds to supplement appropriated funds to make grants in recent years. As a result, the SEa has about \$42 million available for the current academic year. The office has allocated just over \$39 million for this award-year, but because not all students who receive award letters enroll in school, SEO's spending for financial assistance will likely be closer to \$35 million. SEO also spends about 3 percent of its funds on operating costs.

Proposed extension

S. 343 would authorize the appropriation of such sums as are necessary for DCTAG through 2012. CBO assumes that the SEO would use all of its estimated \$7 million in carryover funds in 2008, so while program costs would probably total almost \$38 million, additional federal funds needed to cover those costs would total only \$30 million. CBO estimates that the necessary appropriations and resulting outlays would total \$208 million over the 2008–2012 period. (Federal funds are disbursed and outlays are recorded when the SEO receives the funds, not when it actually makes the grants.) Based on population and high school graduation projections from the Census Bureau and the National Center for Education Statistics, respectively, CBO estimates that the number of participants would continue to grow, but at a slower rate than in the early years of the program. In addition, some of the early growth was likely attributable to recruitment efforts, which would be expected to have a smaller effect as DCTAG matures.

CBO estimates that a total of about 5,500 students annually would participate in the program by 2012. Based on data from the SEO and the College Board, CBO also estimates that the average cost per grant would continue to rise as the cost of tuition and fees at both public and private schools rises, although a growing share of the grants would be limited by the annual caps. On that basis, CBO estimates that the average cost per grant would reach \$9,500 for public schools and about \$2,350 for private schools by 2012, assuming appropriation of the necessary funds.

Intergovernmental and private-sector impact: S. 343 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

Estimate prepared by: Federal Costs: Justin Humphrey. Impact on State, Local, and Tribal Governments: Lisa Ramirez-Branum. Impact on the Private Sector: Fatimot Ladipo.

Estimate approved by: Robert A. Sunshine, Assistant Director for Budget Analysis.

VII. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the following changes in existing law made by the bill, as reported, are shown as follows: (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

DISTRICT OF COLUMBIA CODE

TITLE 38. EDUCATIONAL INSTITUTIONS

Subtitle IX. College Access Assistance

CHAPTER 27. COLLEGE ACCESS ASSISTANCE

SEC. 38-2702. PUBLIC SCHOOL PROGRAM.

(a) GRANTS.—

(1) IN GENERAL.—From amounts appropriated under subsection (i) of this section the Mayor shall award grants to eligible institutions that enroll eligible students to pay the difference between the tuition and fees charged for in-State students and the tuition and fees charged for out-of-State students on behalf of each eligible student enrolled in the eligible institution.

* * * * *

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the District of Columbia to carry out this section \$12,000,000 for fiscal year 2000 and (subject to Sec. 38-2706) such sums as may be necessary for **each of the 7 succeeding fiscal years** *each of the 12 succeeding fiscal years*. Such funds shall remain available until expended.

* * * * *

SEC. 38-2704. PRIVATE SCHOOL PROGRAM.

(a) GRANTS.—

(1) IN GENERAL.—From amounts appropriated under subsection (f) the Mayor shall award grants to eligible institutions that enroll eligible students to pay the cost of tuition and fees at the eligible institutions on behalf of each eligible student enrolled in an eligible institution. The Mayor may prescribe such regulations as may be necessary to carry out this section.

* * * * *

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the District of Columbia to carry out this section \$5,000,000 for fiscal year 2000 and (subject to Sec. 38-2706) such sums as may be necessary for **each of the 7 succeeding fiscal**

years] *each of the 12 succeeding fiscal years.* Such funds shall remain available until expended.

