

TO EXTEND THE DISTRICT OF COLUMBIA COLLEGE
ACCESS ACT OF 1999

APRIL 30, 2007.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed

Mr. WAXMAN, from the Committee on Oversight and Government
Reform, submitted the following

R E P O R T

together with

ADDITIONAL VIEWS

[To accompany H.R. 1124]

[Including cost estimate of the Congressional Budget Office]

The Committee on Oversight and Government Reform, to whom
was referred the bill (H.R. 1124) to extend the District of Columbia
College Access Act of 1999, having considered the same, report fa-
vorably thereon without amendment and recommend that the bill
do pass.

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PURPOSE AND SUMMARY

H.R. 1124, a bill to extend the District of Columbia College Access Act of 1999, was introduced on February 16, 2007, by Rep. Tom Davis and cosponsored by Rep. Danny K. Davis and Congresswoman Eleanor Holmes Norton.

The bill reauthorizes for an additional five years the District of Columbia Tuition Assistance Grant Program (DCTAG). DCTAG will expire on September 30, 2007, unless reauthorized.

BACKGROUND AND NEED FOR LEGISLATION

In 1999, Congress passed P.L. 106–98, the District of Columbia College Access Act, authorizing the establishment of a Tuition Assistance Grant Program (DCTAG) in the nation’s capital. DCTAG provides limited financial assistance to D.C. high school graduates pursuing higher education opportunities in other states. The original legislation authorized funding for the program for five years (FY00–FY05). In 2004, Congress reauthorized the College Access Act for an additional two years, through fiscal year 2007.

The purpose of the District of Columbia College Access Act is to address the District of Columbia’s lack of a state university system by providing D.C. high school graduates with access to higher education opportunities available to residents of other states. The District of Columbia is not a state and does not have a state education system to provide affordable higher education opportunities for its high school graduates.

Additionally, the legislation was to deter tax-paying families in the District from moving to surrounding states in order to take advantage of in-state higher education options available to residents in other states. Such moves had been depriving the District of much needed tax revenue.

DCTAG, administered by the mayor of the District of Columbia, authorizes the federal government to provide tuition scholarships to District high school graduates. Under the program, District students may attend public colleges or universities in the United States at or near the in-state tuition rate or receive \$2,500 annually to attend certain private colleges within the Washington Metropolitan area or private Historically Black Colleges and Universities (HBCUs). Funding under DCTAG is capped at \$10,000 per year for public colleges, with a lifetime cap of \$50,000 total per student. DCTAG serves as a substitute for an expanded university system in the District, which has only one public university, the University of the District of Columbia.

DCTAG has doubled the total number of District students attending college since 1999–2000, the school year before the program started. For the most recent school year, 2005–2006, DCTAG provided over \$30 million in college scholarships for over 4,700 students enrolled in universities and colleges in 45 states, the District of Columbia, and the U.S. Virgin Islands. To date the program has assisted 11,000 students.

DCTAG is currently funded at \$33 million. The President’s budget and the District of Columbia’s budget propose increasing funding for the program to \$35.1 million for FY 2008.

LEGISLATIVE HISTORY

H.R. 1124 was introduced on February 16, 2007, and referred to the Committee on Oversight and Government Reform.

The Subcommittee on Federal Workforce, Postal Service, and the District of Columbia, held a hearing on the bill on March 22, 2007. On March 27, 2007, the Subcommittee held a markup to consider H.R. 1124, and forwarded the bill to Full Committee by voice-vote. On March 29, 2007, the Committee on Oversight and Government Reform held a markup to consider H.R. 1124, and ordered the bill reported by voice vote.

SECTION-BY-SECTION

Section 1. 5-Year reauthorization of Tuition Assistance Programs

This section would reauthorize the Tuition Assistance Grant Program for an additional five years, through fiscal year 2012. This section would amend sections 3(i) and 5(f) of the District of Columbia College Access Act of 1999 by striking “each of the 7 succeeding fiscal years” and inserting “each of the 12 succeeding fiscal years.”

COMMITTEE CONSIDERATION

On March 29, 2007, the Committee on Oversight and Government Reform held a markup to consider H.R. 1124, and ordered the bill reported by voice-vote.

ROLLCALL VOTES

No rollcall votes were held.

APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104–1 requires a description of the application of this bill to the legislative branch where the bill relates to terms and conditions of employment or access to public services and accommodations. This bill provides limited financial assistance to D.C. high school graduates pursuing higher education opportunities in colleges and universities in other states. Legislative branch employees and their families, to the extent that they are otherwise eligible for the benefits provided by this legislation, have equal access to its benefits.

STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of rule XIII and clause (2)(b)(1) of rule X of the Rules of the House of Representatives, the Committee’s oversight findings and recommendations are reflected in the descriptive portions of this report.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee’s performance goals and objectives are reflected in the descriptive portions of this report, and include addressing D.C.’s lack of a state university system by providing limited financial assistance to D.C. high school graduates pursuing higher education opportunities in other states.

CONSTITUTIONAL AUTHORITY STATEMENT

Under clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee must include a statement citing the specific powers granted to Congress to enact the law proposed by H.R. 1124. Article I, Section 8, Clause 17 of the Constitution of the United States grants Congress the power to enact this law.

FEDERAL ADVISORY COMMITTEE ACT

The Committee finds that the legislation does not establish or authorize the establishment of an advisory committee within the definition of 5 U.S.C. App., Section 5(b).

UNFUNDED MANDATES STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandates Reform Act, P.L. 104-4) requires a statement on whether the provisions of the report include unfunded mandates. In compliance with this requirement the Committee has received a letter from the Congressional Budget Office included herein.

EARMARK IDENTIFICATION

H.R. 1124 does not include any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e), or 9(f) of rule XXI.

COMMITTEE ESTIMATE

Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs that would be incurred in carrying out H.R. 1124. However, clause 3(d)(3)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act.

BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 1124 from the Director of the Congressional Budget Office:

H.R. 1124—A bill to extend the District of Columbia College Access Act of 1999

Summary: H.R. 1124 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 H.R. 1124 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. Enacting the bill would have no significant impact on direct spending or revenues.

H.R. 1124 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 H.R. 1124 is presented in the following table. The cost of this legislation falls within budget function 500 (education, training, employment, and social services).

	By fiscal year, in millions of dollars—					
	2007	2008	2009	2010	2011	2012
Spending Under Current Law:						
Budget Authority ¹	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 H.R. 1124:						
Estimated Authorization Level ¹	33	30	41	44	46	47
Estimated Outlays	33	30	41	44	46	47

¹The 2007 level is the amount appropriated for that year for the D.C. tuition assistance program.

Basis of estimate: For this estimate, CBO assumes that H.R. 1124 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

SEO 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

H.R. 1124 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: H.R. 1124 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

Previous CBO estimate: On March 14, 2007, CBO transmitted a cost estimate for S. 343, a bill to extend the District of Columbia College Access Act of 1999, as ordered reported by the Senate Committee on Homeland Security and Governmental Affairs on February 15, 2007. That bill also would authorize the appropriation of such sums as may be necessary for the tuition assistance program through fiscal year 2012. The estimated costs for S. 342 are identical to those for H.R. 1124.

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: Peter A. Fontaine, Deputy Assistant Director for Budget Analysis.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omit-

ted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

**TITLE XXXVIII OF THE DISTRICT OF COLUMBIA
OFFICIAL CODE**

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SUBTITLE IX—COLLEGE ACCESS ASSISTANCE

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CHAPTER 27—COLLEGE ACCESS ASSISTANCE

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§ 38-2702. Public school program

(a) * * *

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(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 38-2706) such sums as may be necessary for each of the **[7]** 12 succeeding fiscal years. Such funds shall remain available until expended.

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§ 38-2704. Private school program

(a) * * *

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(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 38-2706) such sums as may be necessary for each of the **[7]** 12 succeeding fiscal years. Such funds shall remain available until expended.

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ADDITIONAL VIEWS OF RANKING MEMBER TOM DAVIS

We have traveled a long road with the District of Columbia College Access Act—from initial introduction on March 1, 1999 until today. That journey took us through the predecessor Subcommittee, which I then chaired, to the full Government Reform Committee, to the House and Senate Floor, and then to the White House, where President Bill Clinton signed the measure on November 12, 1999. Every step of the way, the bill to create the D.C. Tuition Assistance Grant Program was unanimously approved on voice votes. President Clinton included sufficient money in his budget submission that year, and a Statement of Administration Policy endorsed the approach we had taken in authorizing use of those funds.

We should be deeply proud of the determined, bi-partisan effort which resulted in enactment of this measure and its reauthorization two years ago. Then, as now, we are grateful for the support of our Senate colleagues, particularly Senators Warner, Voinovich and Durbin. And city leaders have embraced the program and made it the success we know today. Both former D.C. Mayor Anthony Williams and the current Mayor, Adrian Fenty, have been strong supporters, and we appreciate their continued advocacy on behalf of the City's students.

This law is a classic example of leveling of the playing field. Since the program went into effect, the graduation rate for public school students in the city has doubled. All District students have another strong incentive to stay in school.

The five-year reauthorization before us today will enable District residents to continue to attend colleges and universities throughout the nation at in-state rates. The President's Fiscal Year 2008 Budget includes sufficient funds to make that happen. No state, county or city is required to supplement its in-state tuition rate with local funds. This is a unique and highly successful federal investment. Suggestions to cap that investment or require funds from the City would penalize that success.

In March of 1999, just after we introduced the first bill, Ms. Norton and I went to nearby Eastern High School to talk with students about their hopes for the future. I will never forget them. It was deeply moving. Many took our hands, looked deep into our eyes, and told us how much they wanted the opportunity to pursue higher learning. Their trust and the hopes of so many future District students hungry to seize their futures rest on what we do here today.

I'm proud of all we have been able to accomplish for, and with, the Nation's Capital since 1995, when the city was literally bankrupt. Economic development, public safety, the real estate market, and so many other aspects of city life have changed for the better. But nothing has given me more satisfaction than working to improve the range of options for the District's students. Fighting for

equal educational opportunity is one of the reasons I entered public life.

We need a healthy city to have a healthy Metropolitan Washington Region. Reauthorizing this law, which has expanded higher educational choices, is an enormous leap forward. It is a critical element of our strategic vision for a vibrant future.

TOM DAVIS.

