

## Free Community College: HR Boon or Bust?



It's no secret employers are lamenting a lack of skilled labor to meet their staffing needs, while many American adults are struggling to earn a living wage, but lack the education needed to attain well-paying jobs.

President Obama's recent proposal to make community college education free for some students seems like an interesting solution on the surface.

Yet, at least two key issues are likely to impact the chances of this proposal becoming reality—the cost, \$60 billion over 10 years—and a Republican-led Congress.

While he believes that the intent of the proposal is good, Howard Horton, president of the [New England College of Business](#) in Boston, says he doubts it will get through a Republican Congress because “community colleges are essentially open-admissions institutions, and I think the Congress, especially the Republican set, will view this as an entitlement program.”

Indeed, the costs associated with the proposal are likely enough to keep it from becoming law, according to experts such as David Rapuano, a Haddonfield, N.J.-based partner in the [Archer & Greiner](#) labor and employment practice group. “I think [the proposal] has virtually no chance of passing,” he says, “given the amount of money that it would cost to implement and the fact that Congress is now Republican and the president is in the last two years of his presidency.”

He adds that funding such a proposal would likely require “either spending cuts that the President doesn’t want to make, or tax increases that the Republicans in Congress would refuse to make.

“I think that’s a classic recipe for an impasse,” he says.

And given the acrimony between parties inside the Beltway and beyond, the potential for any proposal of such magnitude ever becoming reality “is quite low,” says Ramin Sedehi, [Berkeley Research Group’s](#) higher education leader in Emeryville, Calif.

“As the proposal is both a federal action as well as [each] state’s decision to provide 25 percent of the funding, it faces hurdles not just in Washington but in many of the states.”

But while Rapuano says that, generally speaking, employers would benefit from the community college proposal, he says it would also bring along some HR headaches with it.

For instance, one issue he sees HR having to potentially deal with would be the idea of a lot more employees struggling to balance their work duties with school responsibilities.

“My guess is that a certain proportion of people would want to attend classes during normal working hours,” he says. “There’s nothing in here that would force employers to let them do that, but there would certainly be requests from employees for more flexible schedules based on their educational needs.”

Organizations that maintain education-reimbursement policies or tuition-assistance policies would need to revisit them, Rapuano says, to make sure they were not interfering with employees’ ability to take advantage of federal and state monies—or duplicating any of those monies.

Meanwhile, Horton says the proposal may bring benefits—and not just headaches—for employers, particularly those that don’t currently offer tuition assistance to their employees.

The president’s proposal, he says, would allow employers to provide their employees with training to boost their skills as well as add value to the organization, he says, which may even prompt employers to consider giving workers time to pursue these degrees to take advantage of the benefit.

At this point, though, it’s difficult to predict what the implications might be for organizations, Rapuano says. While he doesn’t see it having “widespread

technical ramifications on HR such as changes to the minimum wage and overtime laws, or changes to FMLA,” he does caution that the devil is in the details.

“If President Obama also said that employees needed to be given off any time they wanted to attend classes and they needed to be given 10 paid days off to take exams,” he says, “these things would be incredibly difficult for HR to not only pay for, but to manage.”

Regardless of whether the free community college proposal ultimately becomes reality, the dialogue itself may serve as a springboard to a much larger conversation, says Sedehi.

“[This proposal] has the potential of creating a dialogue on the merits of higher education as a public or a private good,” he says, “and the importance of community colleges in the whole spectrum of higher-education providers.” Horton agrees, and says discussions may be raised about the role that employers may have in higher education.

At the New England College of Business, he says, “more than half of our students are getting their tuition paid by employers. We work with over 200 corporate partners and we price our tuition to be affordable.”

He also acknowledges Starbucks’ recently announced **College Achievement Plan**, a partnership with Arizona State University designed to help fund the education of some employees.

“In fact,” he says, “employer-paid education may eventually be seen as a critical employee benefit in much the same way healthcare coverage is today.”