

# **FEDERAL EDUCATION POLICY UPDATE**



**LEADING EDUCATION REFORM IN AN ERA OF LIMITED RESOURCES:  
A SEMINAR FOR EDUCATION COMMITTEE CHAIRS**

June 16, 2012

Lee Posey, Senior Committee Director

NCSL Standing Committee on Education

**January 8, 2012:**  
**Happy Birthday, No Child Left Behind !?!?**  
*ten years and counting...*



# **ESEA REAUTHORIZATION: STALLED**

- **“Not this year under any circumstances I can fathom.” Senate leadership staffer**
- **Looking forward: need to hear from states about the waiver process**
- **“Big 7 plus 3” efforts will continue**
  - **recess activities, building to next year—back to school and after election**

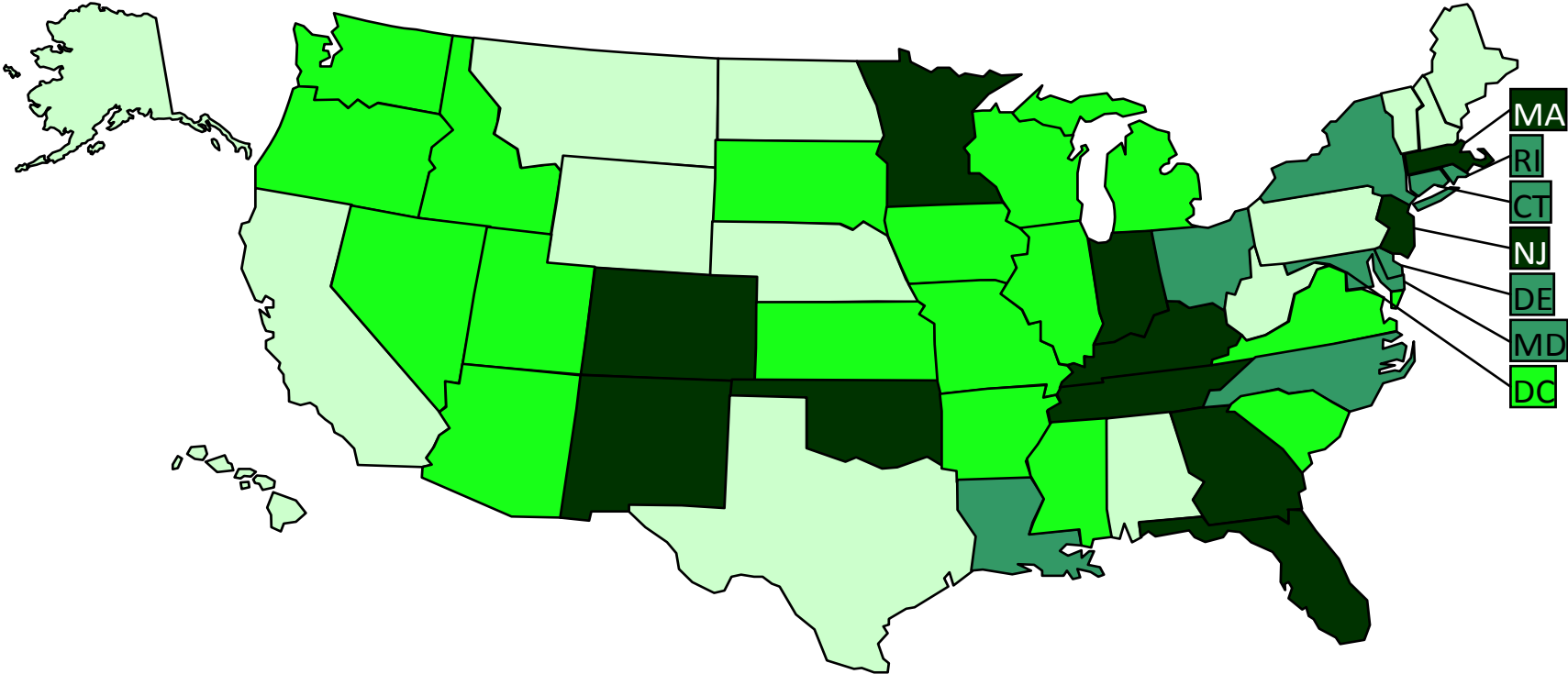
# **DIFFERENT APPROACHES, DIFFERENT ESEA BILLS**




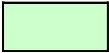
- **Both the House and Senate bills**
  - **Scrap AYP**
  - **Don't require student achievement targets for subgroups, BUT**
  - **Keep annual testing, disaggregation of data**
- **House and Senate bills**
  - **Differing approaches on highly qualified teachers**
  - **Differing approaches to intervention in low performing schools**
  - **Differing approaches to accountability**

# **WAIVERS FROM NCLB PROVISIONS**

- **11 states had their applications approved in the first round in February**
- **8 states approved in May**
- **18 applications (17 states and D.C.) under review**
- **Rolling process**

# WAIVER STATES



-  Round 1
-  Round 2 awarded May 29
-  Round 2 not completed
-  Not currently applying

# **NCLB WAIVERS**

- **Flexibility regarding the 2013-2014 timeline for all students achieving 100% proficiency in reading/language arts and mathematics**
- **Flexibility regarding district and school improvement and accountability requirements**
- **Flexibility in the use of federal education funds**

# **NCLB WAIVERS**

**In return for**

- Transitioning to college-and career-ready standards and assessments**
- Developing systems of differentiated recognition, accountability and support**
- Evaluating and supporting teacher and principal effectiveness**



# **RACE TO THE TOP: THE NEWEST INCARNATION**

- **\$400 million for a district level competition**
  - Applications due mid-July
  - funding distributed by end of December
- **\$133 million for second round of Early Learning Challenge grants**

# **RACE TO THE TOP DISTRICT COMPETITION: Governance Issues**

- **Sign offs: district superintendents, local school board, local union president, elected officials**
- **State superintendent can comment on but cannot stop application**
- **2,500 students minimum**

# **RACE TO THE TOP DISTRICT COMPETITION: Policy Issues**

- **Implement by evaluation systems by 2014-2015—teacher, principal and district superintendents and school boards**
- **Four assurances PLUS focus on individualized learning**
- **Data systems that can track student progress preschool to post-secondary and mechanism that links student performance to teachers**

# **FEDERAL STUDENT LOAN INTEREST RATES**

- **In 2007, P.L. 110-84 temporarily lowered the rates**
- **Stafford loan interest rates set to double July 1 to 6.8% (new loans)**
- **Approximately 7.4 million students impacted**
- **Cost to extend lower interest rate: \$6 billion**
- **House and Senate bills with different offsets**

# FEDERAL STUDENT LOAN INTEREST RATES

- **New offer from GOP**
  - **Proposal A: increasing federal employee retirement contributions**
  - **Proposal B: shorten time that part-time students are eligible for in-school interest subsidy, limit amount states can tax Medicaid providers; prevent Social Security overpayments**
- **New offer from Senator Reid**
  - **Expand a change to employer pension funding contributions**
  - **Increase the premiums paid by employers to the Pension Guaranty Corporation**

# **TEACHER PREPARATION**

- **Requirements in the Higher Education Act: report information on the nature and quality of teacher prep programs; identify those that are “at risk” or “low-performing”**
- **October 2011—negotiated rulemaking began**
- **April 2012—negotiators unable to agree**
- **Department will write rules—classification of programs and eligibility for TEACH grants**

# **COLLEGE ACCESS CHALLENGE GRANTS**

- **MOE provision: states must maintain state expenditures for public as well as any spending on private institutions, including financial aid, at levels equal to or greater than average spending for five most recent years.**
- **In FY 2011, 22 states requested a waiver from this provisions.**
- **Majority of the states expected to apply for waivers for FY 2012.**

# **COURT CHALLENGES OVER HIGHER EDUCATION REGULATIONS**

- **Program Integrity**
  - APSCU lawsuit: incentive compensation for student recruiters, misleading marketing, state authorization
    - Last summer– Court upheld rules EXCEPT state authorization
    - June 5—U.S. Court of Appeals for District of Columbia decision
- **Gainful Employment**
  - Separate lawsuit yet to be decided



# TEACHER JOBS

- **2009, 2010 efforts**
- **New effort Fall 2011**
  - **Failed in Senate as part of a broader jobs package (S. 1660) and targeted bill (S. 1723)**
  - **included \$30 billion to re-hire laid-off teachers and prevent new layoffs**
  - **Continued push through legislation/FY 2013**  
**Approps**

# **FEDERAL BUDGET BATTLES**

- **On Tuesday, Senate Labor-HHS-Education Appropriations Subcommittee advanced its FY 13 spending bill on partisan vote**
- **Action on full Senate Appropriations on Thursday**
- **\$158.8 billion bill, \$9 billion above the House appropriators version**

# **IMPACT OF SEQUESTRATION ON FEDERAL EDUCATION SPENDING**

- **% reduction for FY 2013, mandatory and discretionary spending**
  - **\$1.1 billion less for Title 1**
  - **\$978 million less for students with disabilities**
- **Higher ed**
  - **Cuts in some financial aid and tech ed for adults**
  - **Pell Grants exempt**

# **BEYOND SEQUESTRATION**

- **House passed bill to cancel sequestration that applies for FY 2013 appropriations; leaves sequestration in place for mandatory programs**
- **Senate won't adopt House alternative**
- **There's still a cap on total appropriations**

# SEQUESTRATION

- **Takes effect January 13 domestic and defense discretionary spending cut to produce \$1.2 billion in savings over 9 years; cuts split evenly between defense and non-defense programs that aren't exempt**
- **For FY 13, means non-defense cuts of up to 9% for many state-federal programs**

# LAME DUCK MADNESS

**election results**

**tax reform**

**appropriations**

**payroll tax**

**UI**



**reauthorizations**

**credit rating**

**debt ceiling**

**sequestration**

**“incrementalism”**

**Medicare**



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# **NCSL POLICIES TO BE CONSIDERED AT LEGISLATIVE SUMMIT**

- **Policy directives on “Common Academic Standards,” “Federal Funding for Special Education,” and “Federal Preemption of State Postsecondary Tuition” (revisions of existing policy)**
- **Action resolution “Reauthorizing the Elementary and Secondary Education Act”**
- **On consent calendar from Fall Forum, two policy directives: “The State-Federal Partnership in Elementary and Secondary Education” and “The State-Federal Partnership in Early Education” (joint with Human Services and Welfare Committee)**