

FEDERAL UPDATE

NCSL Education Committee

2011 Fall Forum

Tampa, Florida

Wednesday, November 30

Lee Posey, Senior Committee Director



FFY 2012 Budget Process

- **Minibus One (H.R. 2112, now P.L. 112-55)**
 - **Agriculture/Commerce-Science-Justice/
Transportation-HUD**
 - **CR through December 16**
- **Minibus Two stalled**
 - **Energy -Water/Financial Services/State-Foreign
Operations**
- **Where's Education???????**



LABOR-HHS-EDUCATION 2012

- **Senate Appropriations Committee**
 - passed bill on September 20
 - Pell grants, RTTT, Promise Neighborhoods, i3
- **House Appropriations Committee**
 - Draft bill released September 29
 - \$ 4 billion less in discretionary than Senate
 - Cuts RTTT, maintains Pell
- **Title 1**



IMPACT OF “SUPERCOMMITTEE” IMPASSE

- **Sequestration**
- “Lost” vehicle for
 - Extending payroll tax reduction
 - Renewing extended federal unemployment
 - Preventing scheduled Medicaid provider reduction
 - **Jobs measures**



IMPACT OF SEQUESTRATION ON FEDERAL EDUCATION SPENDING

- **8% reduction for FY 2013, mandatory and discretionary spending**
 - **\$1.1 billion less for Title 1**
 - **\$978 million less for students with disabilities**
 - **CBO estimates**
- **Higher ed**
 - **Cuts in some financial aid and tech ed for adults**
 - **Pell Grants—exempt???**

PATTERNS IN FEDERAL FUNDING

- **Program consolidation and elimination at the Department of Education**
 - President's FY 2012 budget, House and Senate legislation, Department of Education waivers
 - Corresponding flexibility???
- **Funding based on program effectiveness**
 - Investing in Innovation (i3) program uses tiered grants; 1 of 6 federal programs



HOUSE ESEA ACTIONS

- **H.R. 2218**
 - the Empowering Parents Through Quality Charter Schools Act
 - Committee passed 6/22, vote 34-5
 - House passed 9/13, vote 365-54
- **H.R. 2445**
 - the State and Local Funding Flexibility Act
 - Committee passed 7/13, vote 23-17
- **H.R. 1891**
 - the Setting New Priorities in Education Spending Act
 - Committee passed 5/25, vote 23-16



SENATE ESEA BILL

- **Comprehensive reauthorization passed out the Senate HELP Committee October 20**
- **The bill eliminates the NCLB 100% proficiency by 2014 standard**
- **States would adopt career and college ready standards and develop statewide accountability systems.**



SENATE ESEA BILL

- **Comparability in funding provision**
- **20% requirement set aside**
- **Assessments and accountability plan**
- **persistently low-performing schools**



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**



NCLB WAIVERS

- **November 15th group**
 - Colorado, Florida, Georgia, Indiana, Kentucky, Massachusetts, Minnesota, New Jersey, New Mexico, Oklahoma, and Tennessee
 - Peer review started, Department action January
- **Mid-February (or later spring) group**
 - 28 states, and D.C. and Puerto Rico



ADMINISTRATION PRIORITY

American Jobs Act

- \$30 billion in education jobs funds
 - State MOE
 - States distribute funds to LEAs
 - No reform enactment requirement
- \$25 billion for school modernization
 - 40% of the funds to 100 LEAs highest poverty student body
 - 60% to states to distribute based on Title 1 allocations and state determination
- \$5 billion for community college modernization
 - Allocated based on enrollment



ADMINISTRATION ACTION: Student Loan Changes

- **Changes to Income Based Repayment (IBR)**
 - Monthly payment 10% of income
 - Forgiveness after 20 years
 - Takes effect 2012, not 2014
- **Consolidation of loans at lower interest rate**





For further information...

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