

NREAC Notes on Washington DC Scene, June, 2015

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ESEA Reauthorization is set to be on the Senate Floor July 7. Information on ESEA, Appropriations, School Nutrition, Title I and many more Federal policy and funding topics in play this summer:

ESEA: The House and Senate both have bills out of committee and ready for floor time. The House bill is not on the agenda for this week. There is alleged momentum for activity in July. We shall see. The Senate bill is set to be on the Senate floor the week of July 7.

- **Senate:** We anticipate a number of amendments. Some will be pre-negotiated and in a manager's amendment package. Others will be negotiated and voted on individually, and still more will be standalone bills. All will likely need 60 votes, which will help ensure that some of our biggest concerns---vouchers, AYP 2.0 and expanded data collection---aren't passed through. We will NOT have all of the amendments ahead of time, as they can be filed/called on a rolling basis. We have an idea of what topics to expect, and will continue to craft our calls to action to reflect those areas and to provide you talking points.

We will have a rural stand-alone letter, jointly signed by NREA and NREAC, supporting the bill, reserving the right to oppose should a deal breaker amendment get through (highly unlikely).

- **House:** They need to move their party-line bill on a party-line vote. This is the same position they have been in since February.
- **ESEA Resources:**
 - ESEA [Side-by-side](#)
 - AASA [letter of support](#) (Senate)
 - AASA [summary of filed amendments](#)
 - AASA [letter on amendments as filed](#)
 - AASA [letter of support](#) (House)

Appropriations: Both the House and Senate have adopted a budget resolution and are moving through the appropriations process. As a point of context, the last time Congress completed its appropriations work on time, with 12 standalone bills, was 1994. 21 years ago. While they have momentum now, it is widely acknowledged that anything they may be able to pass will NOT be signed by the President, meaning we are looking at either a continuing resolution, a 'deal' (like that by Sen Murray and Rep Ryan to end the shutdown in 2013), or an omnibus/combination bill. For now, though, a run down on the specifics of the LHHS appropriations bills (which is where our education funding is!):

- **Senate:** The Senate LHHS approps subcmte markup yesterday. The bill cuts USED by \$1.7 billion. Increases to Title I (\$125 m), IDEA State Grants (\$100m), Charter School grants (\$20m), and Gifted/Talented (\$1m), among others. Cuts to migrant, neglected/delinquent, striving readers, teacher quality state grants, math/science partnerships, 21st Century Community Learning centers, state assessments, safe/drug free, el/sec counseling, physical education, promise

neighborhood, i3, TIF, magnet schools and AP, among others. Still more programs were level funded, including homeless, rural, arts in education, CTE state grants, and others. NREA, NREAC, AESA and AASA sent a [letter of opposition](#).

- **House:** The House Approps Cmte is marking up their bill now. NREA, NREAC, AESA and AASA sent a [letter of opposition](#). This bill eliminates 27 education programs, cuts funding to 10, increases funding for 21 programs, and freezes funding for 29 programs. In total, funding for K12 programs are cuts by \$2.03 billion. It does include \$502m increase for IDEA, but in light of overall cuts nearing the depth of sequester, it is not something we can support or entertain. See related [summary](#) and [table](#).

School Nutrition: The Healthy Hunger-Free Kids Act, passed in 2010, covers the school lunch program as well as school breakfast, summer meals and more. The law as written and through related regulations has strict nutrition rules that are difficult to meet for school districts around the country.

In response to these burdensome restrictions, Senators Hoeven (SD) and King (ME) and Representative Davis (IL) introduced the Healthy School Meals Flexibility Act in both the Senate and the House. These companion bills permanently cut the whole grain requirement from 100 percent to 50 percent, the original USDA requirement. They would also keep the sodium requirement at Target 1 levels, eliminating increased sodium restrictions scheduled to go into effect in 2017 and 2022.

Forest Counties: AASA sits on the board of the Forest Counties coalition, which is doing a bit of house cleaning as we gear up for this next round of funding discussions and reauthorization. The committee met last week in Reno (AASA dialed in). We are starting with an effort to refresh the board of directors, and returning to a focus on the students and schools that benefit under this program.

School Construction: Sen Brown introduced the Rebuilding America's Schools Act. We anticipate a charter-school related infrastructure amendment in the ESEA conversation.

Lifeline: Lifeline is one of the four Universal service Fund programs (like E-Rate). Lifeline provides phone connectivity to low-income homes. Lifeline, like E-Rate last year, is under proposed modernization. The proposal is to shift from a phone-only structure to allowing eligible participants to choose between phone or broadband. This is not a common issue for AASA or NREAC, and our involvement will be much more narrow and restrained than in E-Rate. The overlap is that Lifeline, if modernized to allow broadband to homes, would be a critical component in addressing the homework gap and helping to address community connectivity issues. The FCC released its proposal last week. AASA/NREAC will have a response in late July or early August.

Title I Formula Fight: Senator Burr will be introducing a Title I formula amendment on the Senate floor. This is NOT the All Children Are Equal (ACE) Act you have been championing. ACE looked at the the concentrated/targeted formulas in Title I, ignoring the basic and FIG equations. ACE 'turns down the volume' on number weighting in the concentrated/targeted formulas to move dollars to schools in a manner that correlates to concentration of poverty. Without ACE, the current Title I structure would preserve number weighting, which allows dollars to flow to larger, less poor districts (it discounts the

difference between presence of poverty and concentration of poverty). ACE changes Title I allocations within a state.

Burr's amendment is different. It changes allocations within and between states. *The state-level analysis is attached for your reference.* The real effect of this formula is that it uses NATIONAL per pupil average, not state per pupil average. It moves money from high spending states to low spending states, notwithstanding other factors. Big cities in high spending states are the biggest losers (think: Chicago, Philadelphia, the NYC boroughs, Detroit, as well as Rochester and Buffalo). Big winners are big cities in low spending states (Los Angeles, Houston, Dallas, Dade, Memphis, DeKalb, Denver, Fresno). Rural districts will have similar effects. In all, about 600 school districts lose ALL Title I funding about 9,000 lose something and 4,600 gain. This is a zero sum game, so the net effects are to send more money to the larger districts, mostly in low spending states.

This amendment uses number weighting and uses it more aggressively in states with particularly inequitable funding systems. Using the national per pupil expenditure average drives more money into low spending states. The brackets reward large districts, and does so with the greatest effect in inequitable states. This is all preliminary analysis. We have all of the information Burr's office has made available, but there are a lot of remaining questions. It is clear, however, that Burr is committed to bringing this to a vote, that the votes are there for it to go through, and that this amendment is very contentious (ie, it will cost the overall bill votes of support).

Head Start Regulations: The Head Start Program is under consideration of regulatory change. The extensive document covers two areas we are likely to weigh in on: student data/privacy and requiring full-day head start program structure.

Student Data/Privacy: FERPA, COPPA and CIPA are the primary federal privacy related bills that impact schools. There is increasing momentum at the federal level focused on student data and privacy, the role of 3rd party vendors, and data responsibility (as it relates to storing, use, and deleting). Student data/privacy is broader than K12, and we are working to ensure that the dprivacy discussion does not get lumped into the ESEA effort. We expect a very limiting amendment on student data (The Vitter amendment) that would all but eliminate the ability of schools to use student data, not to mention the prohibitive approach to outside vendors.

IDEA Maintenance of Effort Bill: Legislation will be introduced by Rep. Walberg of Michigan to provide districts with greater flexibility to reduce maintenance of effort funding levels. Here's what the bill does:

- It will allow districts to apply for a waiver to reduce their MoE levels if they have experienced a significant decline in financial resources (similar to what the State can do currently under IDEA).
- It will add two exceptions to the current exceptions under IDEA to reduce MoE if districts have made changes to their special education program operations that have decreased their overall local spending (we generalize these as "efficiencies"), but have not impacted services or instruction for special education students; and it would add an exception for LEAs to reduce their MoE level if the reason

relates to a reduction of expenditures for employment related benefits provided to special education personnel such as pay, retirement contributions, annual and sick leave, and health and life insurance.

Legislative Advocacy Conference: Join us in DC July 7-9 for the AASA legislative advocacy conference. Both appropriations and ESEA will be in high gear, making this one of the most important times for you to be on the hill and meeting with your delegation. Registration and conference agenda are available [here](#).

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