

ITEM: 6.3

DATE: March 23, 2013

TITLE: Legislative/Political Reports
Federal Issues Update

Action: _____ Direction/Discussion: _____ Update: _____ Written: x

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Summary

This update contains information on the following recent federal issues and activities:

- President Obama's State of the Union
- Early Education Initiative
- Federal Funding and Sequestration
- The Elementary and Secondary Education Act (ESEA) Waivers

Background

President Obama's State of the Union

On February 12, 2013, President Obama presented his fifth State of the Union address in which he urged Congress to find a plan to curtail federal spending and eliminate scheduled automatic budget cuts. During his speech, the President proposed a new early childhood education initiative and a Race to the Top-like program for high schools to help them prepare graduates with the skills that employers and colleges are looking for, including a focus on science, technology, engineering, and math (STEM). He also called on colleges to address rising costs.

The President called for Congress to address gun violence. He talked about the December school shooting in Newtown, Connecticut as well as the more recent death of a Chicago teen who had performed at his inauguration in late January; he urged Congress to bring gun safety proposals to a vote.

Many of the President's proposals in this State of the Union, including keeping college costs low and investing in STEM education, were themes that have appeared in a number of his previous addresses. His more ambitious proposals, such as gun control and universal prekindergarten, are unlikely to see any debate in Congress before legislators have addressed federal spending and automatic sequestration cuts.

The full text of the President's address is available here http://articles.washingtonpost.com/2012-01-24/politics/35440939_1_fair-share-hard-work-world-war-ii.

Early Education Initiative

Just after his State of the Union address, President Obama released details of his universal early education initiative. Early education has been praised for providing children with the intellectual skills and emotional readiness to succeed in school. Under the President's proposal, the administration wants to partner with states through a cost-sharing agreement to provide near-universal pre-kindergarten services. Subsidized services would extend to all low- and moderate-income families (up to 200 percent of the poverty level) with four-year olds, and funding would be allocated to states by the U.S. Department of Education (USDOE) according to the number of eligible children in each state. States would also receive additional incentives for allowing additional middle-class students to join existing pre-school programs through a sliding-scale fee or other arrangement, and for offering full-day kindergarten to all students.

In order to receive federal dollars for the program, states would have to agree to certain conditions, including providing matching funds, hiring well-trained teachers paid comparably to K-12 staff, small class sizes, wraparound health care services, and rigorous curricula for young children.

Further, the President has suggested creating an Early Head Start Child Care Partnership to expand high-quality offerings for infants and toddlers, funded through a competitive grant process. The White House has said that they want to maintain the current Head Start system to support more infants and toddlers as older children move to new pre-kindergarten programs.

Cost estimates for the program have not yet been released. However, any significant proposal that requires an appropriation would have to be approved by Congress which has proven resistant to new spending.

An outline of the President's early education proposal is available here <http://www.whitehouse.gov/the-press-office/2013/02/13/fact-sheet-president-obama-s-plan-early-education-all-americans>.

Federal Funding and Sequestration

On February 13, 2013, Democrats on the House Appropriations Committee released a report detailing the potential impact of sequestration. The report asserts that automatic across-the-board cuts would cut economic growth, cause at least a million jobs to be lost (and many more workers to be furloughed), and affect the day-to-day workings of government. In addition, the report notes that many business owners, especially in the defense industry, have also slowed spending and hiring in anticipation of automatic cuts.

The report details the projected impact of cuts, furloughs, and layoffs on nuclear security, air travel, border security, environmental management, food safety, social security claims and appeals processing, health care research, education, and other activities.

February 24, 2013, brought the release of a number of White House fact-sheets (attachment A and B) describing what would happen over the next seven months if the sequestration cuts go into effect. The fact sheets look at the impact of a number of programs including teachers and schools, child care and head start. In a recent interview, Secretary Duncan estimated that nationwide, \$725 million in Title I funds could get cut, putting 10,000 jobs at risk. States could also lose \$598 million in special education, which equals approximately 7,200 jobs.

On Thursday, February 28, the Senate attempted to move two pieces of legislation billed as “alternatives” to the automatic, across-the-board cuts known as sequestration. However, the Senate failed to formally end debate and call a vote on either measure. Shortly after, both the Senate and the House of Representatives left Washington for the weekend, leaving the sequester – automatic, across-the-board cuts – to kick in when the President gave the official order at 8:30 p.m. eastern time on March 1. The Office of Management and Budget (OMB) immediately issued orders notifying agencies to make spending cuts. The OMB published a memo telling agencies what to expect from this order and suggesting additional means of spending reductions including furloughs, layoffs, and terminating or delaying renewal of contracts.

Though some programs – like Impact Aid – would be affected immediately, most will not see the impact of cuts until the next federal allocation. For the purposes of bifurcated funding programs like Title I of the Elementary and Secondary Education Act, the Individuals with Disabilities Education Act, and others, USDOE officials confirmed in a conference call Tuesday that funding cuts will be deducted from each state’s July 2013 allocation.

It is highly unlikely that any changes to the sequester will occur in the next week or so. However, changes are much more likely when lawmakers attempt to address federal funding before the current temporary budget measure expires on March 27. Some lawmakers and aides have said that they do not expect Congress to halt the automatic budget cuts before April or May, with others saying that cuts could last through the end of the year.

Additional Links:

- Sequestration Endangers Economy, Jobs, Critical Services and Investments Report: <http://democrats.appropriations.house.gov/images/sequester%20full%20report.pdf>
- White House Sequestration California Fact Sheet: attached and <http://www.whitehouse.gov/sites/default/files/docs/sequester-factsheets/California.pdf>
- White House charts showing impact on Teachers and Schools, Head Start, and Child Care: attached
- Office of Management and Budget Memo: <http://www.whitehouse.gov/sites/default/files/omb/memoranda/2013/m-13-05.pdf>

Elementary and Secondary Education Act (ESEA) Waiver

On February 20, 2013, U.S. Education Secretary Arne Duncan met with representatives of the California Office to Reform Education (CORE) to discuss the possibility of receiving an ESEA waiver for its ten-member unified school districts. The CORE districts include Clovis, Fresno, Garden Grove, Long Beach, Los Angeles, Oakland, Sacramento, San Francisco, Sanger and Santa Ana.

The CORE districts believe they will be able to adopt reforms, especially on curriculum standards and teacher evaluations, which would meet the criteria that the USDOE has set for states.

At this time, district-level waivers are only theoretical. USDOE has said that they would give states until the end of February to apply for waivers, and at that point they will consider offering flexibility on some of the more burdensome portions of the law to districts situated in states not approved for waivers.

A number of analysts and states have noted that district-level waivers could create administrative headaches at both the state and federal level (which Secretary Duncan himself noted at a Senate Education hearing earlier in February). Further, top department staffers have said that under existing law, districts are limited as to the flexibilities they can request. However, Secretary Duncan has made it clear that he considers district-level waivers to be a possible alternative in the event that they cannot come to an agreement with some states.

Commission on Equity and Excellence in Education

In the 2010 Consolidated Appropriations Act, language was inserted by Representatives Mike Honda (D-CA) and Chaka Fattah (D-PA) to create the Equity and Excellence Commission (EEC) with the purpose of addressing educational inequities and eliminating the socioeconomic achievement gap.

After two years of public hearings and meetings, the EEC recently released its final report, titled *“For Each and Every Child”*. The report suggests a framework for promoting education equity and excellence focused on five areas: improving school finance and efficiency; offering teaching, leadership and learning opportunities; ensuring access to high-quality early childhood education; meeting the needs of students in high-poverty communities; and ensuring governance accountability to improve equity and excellence.

The EEC’s first set of recommendations are to eliminate inequities and to restructure school finance and funding. The EEC concludes that states are exacerbating education inequities through the use of property taxes and other unstable and unequal funding sources. The report notes that in 14 states, property taxes comprise more than 50 percent of school funding, and cites a 2011 USDOE study that concluded more than one-third of high-poverty schools have lower per-pupil spending than low-poverty schools. The report provides several recommendations to states and local educational agencies (LEAs) to fix the funding inequities, including implementing a school finance system that will provide equitable education for all students and ensuring that funding is derived from a stable source of revenue. The EEC also urges Congress to pass “equity and excellence” legislation that would promote increased funding for high-poverty and low-performing school districts.

The EEC also recommends that Congress create new federal incentives for states to adopt equitable funding systems and reduce the level of concentrated poverty in schools and expand USDOE’s authority to intervene in civil rights and equity violations.

Another concern identified by the EEC in the area of “teaching, leading, and learning opportunities” is the lack of highly experienced teachers in school districts with high numbers of low-income and minority students. One solution offered is for USDOE to use its enforcement authority under Title I and II of the Elementary and Secondary Education Act (ESEA) and Title VI of the Civil Rights Act to ensure equitable access to teachers. Further, the report recommends tying federal student aid to state funding for incentive programs to attract more college students to the teaching profession as a way to improve the teacher pipeline in high-need communities.

The EEC’s third set of recommendations is to ensure access to early childhood education. The report notes the reported economic benefits of early childhood investments including decreased dropout rates, lower crime rates, and higher levels of educational attainment. The EEC’s proposal is similar to the early childhood education initiative that President Obama unveiled in last week’s State of the Union address.

The EEC also provided various recommendations to provide increased access to education for students in low-income neighborhoods. One component of improving access to education was increasing parent engagement by offering grants to states for parental involvement in after-school programs. The report also concluded that providing health care and other social services to low-income communities provides a tremendous benefit to eliminating equity.

In the final recommendation area of “governance accountability,” the EEC recommends state strategies to promote racial and socioeconomic diversity in schools as part of an effort to encourage equity.

The EEC’s co-chairs encouraged federal and state policymakers to utilize the report’s findings to encourage a national effort to emphasize educational equity and excellence. During a conference call with education stakeholders, several EEC members advocated for their recommendations to be implemented during the reauthorization of the Elementary and Secondary Education Act.

The Equity and Excellence Commission was co-chaired by Christopher Edley Jr., Dean of UC Berkeley Law School and Mariano-Florentino Cuellar, Stanley Morrison Professor of Law, Stanford Law School. The other members included:

- Russlynn Ali, The Emerson Collective
- Cynthia Brown, Vice President, Education Policy Center for American Progress
- Mike Casserly, Executive Director, The Council of Great City Schools
- Linda Darling-Hammond, Charles E. Ducommun Professor of Education, Stanford University
- Sandra Dungee Glenn, President and Chief Executive Officer, The American Cities Foundation
- Eric Hanushek, Paul and Jean Hanna Senior Fellow at the Hoover Institution, Stanford University
- Karen Hawley Miles, President and Executive Director, Education Resource Strategies
- Kati Haycock, President, The Education Trust
- Benjamin Todd Jealous, President and Chief Executive Officer, The National Association for the Advancement of Colored People
- John B. King, Jr., Commissioner of Education and President, University of the State of New York
- Ralph Martire, Executive Director, The Center for Tax and Budget Accountability
- Matt Miller, Columnist, The Washington Post and Senior Fellow, Center for American Progress
- Marc H. Morial, President and Chief Executive Officer, The National Urban League
- Michael A. Rebell, Professor, Executive Director, The Campaign for Educational Equity Teachers College, Columbia University
- Ahniwake Rose (Cherokee), Executive Director, National Indian Education Association
- Jesse H. Ruiz, Partner, Drinker Biddle & Reath and Vice President, Chicago Board of Education
- James E. Ryan, Matheson & Morgenthau Distinguished Professor of Law, University of Virginia School of Law
- Thomas A. Saenz, President & General Counsel, Mexican American Legal Defense and Educational Fund
- David G. Sciarra, Executive Director, The Education Law Center
- Robert T. Teranishi, Associate Professor of Higher Education, New York University

- Jacquelyn Thompson, Director (retired), The Office of Special Education and Early Intervention Services, Michigan Department of Education
- José M. Torres, Superintendent, School District U-46, Elgin, Illinois
- Dennis Van Roekel, President, The National Education Association
- Randi Weingarten, President, American Federation of Teachers
- Doris Terry Williams, Executive Director, The Rural School and Community Trust

The EEC's report is available here <http://www2.ed.gov/about/bdscomm/list/eec/equity-excellence-commission-report.pdf>.

Attachments:

A: The White House Fact Sheet

B: Teachers and Schools