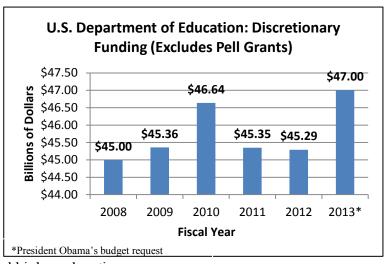




**OBAMA RELEASES FISCAL YEAR 2013 FEDERAL BUDGET: Budget Proposes** 3.8 Percent Increase in Discretionary Funding for U.S. Department of Education

Released on February 13 at Northern Virginia Community College in Annandale, Virginia, President Obama's budget for Fiscal Year (FY) 2013 proposes \$47 billion in discretionary funding (excluding Pell Grants) for the U.S. Department of Education, an increase of 3.8 percent over the current funding level of \$45.3 billion. The president's budget would continue funding for competitive grant programs, such as Race to the Top (RTT) and Investing in Innovation (i3), while proposing



new ones focused on early education and higher education.

"We know that education and lifelong learning will be critical for anyone trying to compete for the jobs of the future," Obama wrote in the <u>budget message</u>. "That is why I will continue to make education a national mission. What one learns will have a big impact on what he or she earns; the unemployment rate for Americans with a college degree or more is only about half the national average, and the incomes of college graduates are twice as high as those without a high school diploma."

Obama proposed \$850 million for additional RTT awards, an increase of \$300 million over the FY 2012 level. Awards would be made to states, school districts, or a combination of the two. A portion of the \$850 million request would go toward a RTT–Early Learning Challenge, which would be paired with new investments by the U.S. Department of Health and Human Services in improving child-care quality and preparing children for success in school.

Obama's budget also includes \$150 million—the same as current funding—for the i3 program to develop and expand innovative strategies and practices that have been effective in improving educational outcomes for students. The request would also support the Advanced Research

<sup>&</sup>lt;sup>1</sup> Discretionary funding is appropriated annually by Congress for each program within the limits established by the authorizing legislation, such as the Elementary and Secondary Education Act, currently known as No Child Left Behind. Mandatory funding, such as Social Security and some spending on Pell Grants, generally does not require annual appropriations because the authorizing legislation itself establishes a fixed funding level or a method for calculating automatic appropriations without further congressional action.

Obama's budget also includes \$150 million—the same as current funding—for the i3 program to develop and expand innovative strategies and practices that have been effective in improving educational outcomes for students. The request would also support the Advanced Research Projects Agency–Education (ARPA–ED), a new entity modeled after similar agencies in the U.S. Department of Defense and U.S. Department of Energy that would pursue breakthrough developments in educational technology and learning systems, support systems for educators, and educational tools.

While the RTT program would receive a significant boost, formula grant programs such as Title I and the Individuals with Disabilities Education Act (IDEA) state grants, which would receive \$14.5 billion and \$11.6 billion, respectively, were kept at current levels. Also kept at current levels were School Turnaround Grants, which support the implementation of rigorous interventions in the persistently lowest-performing schools and would receive \$534 million.

Obama's decision to boost competitive programs while flat-funding formula programs received immediate pushback from some members of Congress and education advocates.

"I am troubled by the president's plan to expand the Race to the Top program significantly, forcing taxpayers to fund an even larger slush fund operated at the sole discretion of the Secretary of Education," <u>said House Education and the Workforce Committee Chairman</u> John Kline (R-MN).

"Nearly all of the new K–12 dollars go to competitive grants, instead of investments in federal flagship programs like Title I and IDEA, programs that help level the educational playing field and serve all of the nation's students and the schools they attend," <u>said Daniel Domenech</u>, <u>executive director of the American Association of School Administrators</u>.

According to the "Fiscal Year 2013 Budget Summary and Background Information" document, the president's budget intends to "sustain the state and local K–12 reform momentum created by competitive grant programs," such as RTT and i3, while also focusing on three major initiatives for FY 2013: (1) improving affordability and quality in postsecondary education; (2) elevating the teaching profession; and (3) strengthening the connections between school and work and better aligning job training programs with workforce demands.

As part of Obama's focus on greater affordability in postsecondary education, his budget would create a \$1 billion Race to the Top: College Affordability and Completion program that would award funds to states with a strong record of increasing college affordability and quality. It would also create a \$55 million First in the World competition among colleges and universities to encourage innovative approaches to improving college completion.

A major component of elevating the teaching profession is a \$5 billion Recognizing Educational Success, Professional Excellence, and Collaborative Teaching (RESPECT) project, which <u>U.S.</u>
<u>Secretary of Education Arne Duncan launched</u> on February 15. Funding for the project is proposed as part of the president's American Jobs Act. The RESPECT project would fund states and districts to "pursue bold reforms at every stage of the profession," including reforming colleges of education and making them more selective, creating new career ladders for teachers and ensuring that earnings are tied more closely to performance, and improving professional

development and time for teacher collaboration. "This is not a time for timid tweaks around the edges of the profession," Duncan said. "This is a time for transformational change."

The president's budget would also boost spending on the Teacher Incentive Fund from \$299 million to \$400 million while also restructuring the program as a Teacher and Leader Innovation Fund that would increase competitive grant funding for state and local efforts to support "ambitious" reforms—including "innovative" compensation systems—to better recruit, prepare, retain, and reward effective teachers and leaders in high-need schools.

To better align job training and education programs with workforce demands, the president's budget would provide \$8 billion over three years for a community college initiative that would improve access to job training across the nation and support state and community college partnerships with businesses. It also includes \$1 billion over three years to expand "career academies," which combine a college-preparatory and career and technical curriculum as part of smaller learning community in a school. The budget would also provide \$1.1 billion (the same as current funding) to restructure the Career and Technical Education program by increasing the rigor and relevance of what students learn, creating stronger linkages between secondary and postsecondary education, and promoting innovation and reform.

As he did last year, Obama is proposing to consolidate the Striving Readers program, which currently receives \$160 million, into an Effective Teaching and Learning: Literacy program. The program, which would also engulf the Ready-to-Learn Television program, would receive \$187 million for competitive grants to states for comprehensive state and local efforts aimed at improving literacy instruction, especially in high-need schools, for children and youths from preschool through grade 12.

Last year, the president proposed \$383 million for the consolidated literacy program. The amount is less this year because funding for other literacy programs, such as Even Start (\$66 million), Literacy Through School Libraries (\$19 million), National Writing Project (\$25 million), and Reading Is Fundamental (\$25 million), was eliminated as part of the negotiations on FY 2011 spending. (More information on the FY 2011 cuts is available at <a href="http://www.all4ed.org/publication">http://www.all4ed.org/publication</a> material/straight as/04182011#1).

Similarly, the \$49 million High School Graduation Initiative and the \$27 million Advanced Placement program would be consolidated into a new College Pathways and Accelerated Learning program. In total, the president's budget would consolidate thirty-eight education programs into eleven new grant programs "designed to give states and districts more flexibility to use resources where they will have the greatest impact."

The president's budget would boost funding for Statewide Data Systems from \$38 million to \$53 million while maintaining current funding levels for TRIO (\$840 million) and GEAR UP (\$302 million. The proposed funding levels for every program under the U.S. Department of Education are available at <a href="http://www2.ed.gov/about/overview/budget/budget13/13pbapt.pdf">http://www2.ed.gov/about/overview/budget/budget13/13pbapt.pdf</a>.

opportunities for students."

<sup>&</sup>lt;sup>2</sup> A supplemental document to the president's budget notes that career academies, through their career themes (such as health care, business and finance, or engineering), "make education more relevant to high school students through personalized and contextual learning while preparing them for successful careers and postsecondary education." It adds that local employers "are critical to career academies and provide career awareness and work-based learning



## **CATCH THE WAIVE: Eleven States Receive Flexibility Under NCLB in Exchange** for Reform

Eleven states will receive flexibility under the No Child Left Behind (NCLB) Act in exchange for their commitment to raise standards, improve accountability, and undertake essential reforms to improve teacher effectiveness. The eleven states approved for flexibility are Colorado, Florida, Georgia, Indiana, Kentucky, Massachusetts, Minnesota, New Jersey, New Mexico, Oklahoma, and Tennessee.



"After waiting far too long for Congress to reform No Child Left Behind, my administration is giving states the opportunity to set higher, more honest standards in exchange for more flexibility," President Obama said in announcing the waivers on February 9.3 "Today, we're giving ... states the green light to continue making reforms that are best for them. Because if we're serious about helping our children reach their potential, the best ideas aren't going to come from Washington alone. Our job is to harness those ideas, and to hold states and schools accountable for making them work."

To receive flexibility under NCLB, states must adopt and have a plan to implement college- and career-ready standards. They must also create comprehensive systems of teacher and principal development, evaluation, and support that include factors beyond test scores, such as principal observation, peer review, student work, or parent and student feedback.

According to the press release announcing the waivers, states receiving waivers no longer have to meet NCLB's 2014 targets, but they must set new performance targets for improving student achievement and closing achievement gaps. They also must have accountability systems that "recognize and reward high-performing schools and those that are making significant gains, while targeting rigorous and comprehensive interventions for the lowest-performing schools." Under state-developed plans, all schools must develop and implement plans for improving educational outcomes for underperforming subgroups of students. State plans will require continued transparency around achievement gaps but will provide schools and districts greater flexibility in how they spend Title I federal dollars.

"The administration's waiver scheme provides just enough temporary relief to quiet the demand for lasting reform," <u>said House Education and the Workforce Committee Chairman John Kline (R-MN)</u>. "We cannot let this process stagnate. Waivers or no waivers, we have to change this law. And there's bipartisan support on that."

U.S. Representative George Miller (D-CA), top Democrat on the House Education and the Workforce Committee, agreed with Kline that NCLB needs changing, but he was more positive about the waiver announcement. "What excites me most about this announcement is that these

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<sup>&</sup>lt;sup>3</sup> The U.S. Department of Education <u>approved</u> New Mexico's waiver on February 15.

states aren't just running away from the one-size-fits-all approach of NCLB—they are running toward a system that strikes the no-longer-elusive balance between flexibility and accountability," Miller said. "We have clear evidence of what's possible—that federal policy can provide flexibility without losing sight of the core values of equal opportunity in education. There is a path forward. Now is the time for Congress to come together to get things done on behalf of all students."



## **HOUSE COMMITTEE HOLDS HEARING ON ESEA REWRITE: Hearing Focuses on NCLB Accountability and Teacher Effectiveness**

On February 16, the U.S. House of Representatives Committee on Education and the Workforce held a hearing on two pieces of legislation on accountability and teacher effectiveness as part of the committee's work to overhaul the Elementary and Secondary Education Act (ESEA), currently known as the No Child Left Behind (NCLB) Act. The two bills pit Republicans, who seek greater flexibility for states and districts and a minimal federal role, against Democrats, who want to preserve accountability, especially for the most-at-risk schools and students. The two bills, the Student Success Act and the Encouraging Innovation and Effective Teachers Act, follow three other bills the committee has passed in its piecemeal approach to rewriting NCLB.

"No one said rewriting a law as influential as the Elementary and Secondary Education Act would be easy," <u>said House Education and the Workforce Committee Chairman John Kline (R-MN)</u>, who introduced the two pieces of legislation. "Just as we found common ground, we also unearthed differences. All members share the desire to see our schools improve and have negotiated in good faith. Education reform is an issue that will shape future generations, and we cannot afford to let the conversation stall. For the sake of our children, we must continue working toward a consensus."

According to Kline, the Student Success Act would direct states to develop their own accountability systems with flexibility to use multiple measures of student achievement. Using their own methods, states would identify low-performing schools and turn around failing ones. Kline said the bill "maintains important requirements that states and school districts continue to make and meet high benchmarks for student learning," and would require states to administer annual reading and math assessments and report the results disaggregated by student population.

Kline said the Encouraging Innovation and Effective Teachers Act would consolidate several federal teacher programs into a flexible grant state that local leaders can use to fund programs that work. He said it would also empower states to "develop their own teacher evaluation systems based on student learning" and support "creative approaches," such as performance pay and alternative paths to certification to help recruit and retain the most effective educators.

In his <u>opening statement</u>, U.S. Representative George Miller (D-CA), top Democrat on the House Education and the Workforce Committee made clear his opposition to the two bills, saying they do not reflect the core values of equal opportunity for all and "don't come close" to improving the educational outcomes for children and strengthening the nation's global competitiveness.

"Rather than looking toward the future, these bills have the very real potential to turn the clock back decades," Miller said. "I have heard the word 'flexibility' thrown around and offered up as the solution to the problems with our current law. But, I have found that 'flexibility' often gets raised when people are trying to avoid accountability. Clearly, there are places in the current law where federal policy needs to be more flexible, such as in school improvement and in consolidating programs. But, at no point should we be promoting flexibility at the expense of accountability or at the expense of equity in education."

Miller acknowledged that the federal government should not "micromanage" the improvement of an individual school, but he maintained that it should require action on behalf of students where willingness to act is absent. He said members of Congress can alter roles and increase flexibility through a rewrite of ESEA, but they "cannot abandon the principles of equity and accountability if we want to uphold the promise of *Brown v. the Board of Education*, the first ESEA, and its most recent iteration."

The hearing featured testimony from six witnesses: Tom Luna, Idaho Superintendent of Public Instruction; Delia Pompa, senior vice president of programs, National Council of La Raza; Bob Schaffer, chairman, Colorado State Board of Education; Robert Balfanz, codirector, Everyone Graduates Center at Johns Hopkins University; Felicia Kazmier, art teacher, Otero Elementary School (Colorado); and Jimmy Cunningham, superintendent of schools, Hampton School District (Arkansas).

Witness testimony, as well as video of the hearing, is available at http://edworkforce.house.gov/Calendar/EventSingle.aspx?EventID=279017.



## STATE OF THE STATE ADDRESSES: Spotlighting Speeches by Governors in Illinois, Mississippi, New Hampshire, and Tennessee

In his February 1 state of state address, Illinois Governor Pat Quinn (D) acknowledged recent accomplishments in education, including changes in teacher evaluations that are based on defined benchmarks rather than tenure and passage of the Illinois DREAM Act, which will make scholarships, college savings, and prepaid tuition programs available to undocumented students who graduate from Illinois high schools. "In the years to come, more kids will go to college," Quinn said. "More kids will chase their dreams. More kids will grow up to be Illinois residents who work hard and contribute to society because of the DREAM Act."

Quinn called for a significant investment in schools through upgrading classroom facilities with modern labs, smart technology, digital books, high-speed internet access, and twenty-first-century efficiency. "We cannot leave our high school graduates unprepared to compete for the jobs of the future," he said. "But our students won't be prepared for college and twenty-first-century jobs if we don't educate them in twenty-first-century schools."

**Mississippi Governor Phil Bryant (R)** proposed a Mississippi Works Agenda in his <u>state of the state address</u> on January 24 that would include a dual-enrollment process allowing students on the verge of dropping out of school to enroll in a community college workforce-training program. "We will work to give these young adults a marketable skill and help them find jobs," he said. "We should set an enrollment goal and get to work so Mississippians can go to work.

Increasing the educational achievements of Mississippi is critical to developing our future workforce."

During his January 31 <u>state of the state address</u>, **New Hampshire Governor John Lynch (D)** hailed the state's work to cut its dropout rate in half to 1.16 percent, crediting not just the move to increase the compulsory attendance age from sixteen to eighteen but also its investments in alternative education programs.

"While we have one of the lowest dropout rates in the nation, there was a slight up tick this year," Lynch said. "We should reexamine recent cuts to the dropout prevention programs that help teachers keep students engaged in school. This is a fight our state can't afford to lose. Every New Hampshire child should graduate from high school."

Lynch warned that to compete in the future, both nationally and globally, New Hampshire will need more workers with backgrounds in science, technology, engineering, and math (STEM) and called for an investment in STEM initiatives and courses. Lynch also called for legislation that would promote flexibility to direct more aid to communities and children with the greatest needs.

**Tennessee Governor Bill Haslam's (R)** January 30 <u>state of the state address</u> touted improvements the state has made after lagging behind the rest of the country when it came to education results. Haslam said the state made a commitment to raising standards through the common core state standards and asking institutions of higher education to focus on graduating students through the Complete College Program. At the same time, Haslam pressed the state to do more.

"If we are going to be a state that attracts companies to locate and grow here; a state that keeps its best and brightest graduates here with good-paying, high-quality jobs ... there is nothing more important we can do than to focus on education," Haslam said. "When a plant manager in Jackson hires workers from Kentucky, and when a Chattanooga manufacturer imports workers from Georgia because both say they can't find Tennessee graduates with strong enough skills in math and science, that is unacceptable. These are our jobs, for our graduates, and we have to get them back. We have to believe in better for our children."

Governor Haslam was confident that Tennessee would be one of the first states to receive a waiver from the No Child Left Behind (NCLB) Act, which they were. "Under the outdated federal rules, tens of thousands of hard-working teachers have been going to work every day, often leading their students to significant improvement, only to be told that their schools were failures," Haslam said. "That is wrong, and with this waiver, we can build a Tennessee accountability system that measures growth and improvement and gives every school a chance to succeed by doing better each year."

Straight A's: Public Education Policy and Progress is a biweekly newsletter that focuses on education news and events in Washington, DC and around the country. The format makes information on federal education policy accessible to everyone from elected officials and policymakers to parents and community leaders. Contributors include Jason Amos, editor; Kenya Downs, communications associate; and Kate Bradley, copyeditor.

The Alliance for Excellent Education is a national policy and advocacy organization that works to improve national and federal policy so that all students can achieve at high academic levels and graduate from high school ready for success in college, work, and citizenship in the twenty-first century. For more information about the Alliance, visit <a href="http://www.all4ed.org">http://www.all4ed.org</a>.