

Of Funding and Reauthorization: Appropriations and ESEA/ESSA

Noelle Ellerson
NCE 2016

ESSA Warm Up

- Elementary and Secondary Education Act (ESEA) 1965
- No Child Left Behind (NCLB) 2001
- Every Student Succeeds Act (ESSA) 2015
- NCLB reauth started in Aug 2007 and lasted just over 8 years.
- The 114th Congress-2016 was a year of action!
- ESSA:
 - Passed the House 359-64; Passed the Senate 85-12
 - Bill signed into law December 10, 2015

What's in the Bill?

- ESSA is a significant improvement over current law.
- Maintains federal role, but emphasizes role is to support/strengthen, not dictate/prescribe to, schools
- Returns pendulum of federal overreach and prescription back to state/local control

What's in the bill?

- Standards: States must have high standards
- Assessments: Maintains annual assessments in Math and ELA, and grade-span testing in science
 - State Assessment Pilot will support selected states in creating/utilizing their own or regionally designed assessment (much like what NH has done)
 - Local high schools can, with permission from their state, use a local assessment in place of the state assessment, and this could include SAT or ACT
- Accountability: Maintains data disaggregation and graduation rate calculation
 - Outside of broad federal guardrails, significantly whittles back federal overreach and prescription Mandates ID and intervention in bottom 5% and high schools graduating less than 67%
 - States must establish sub-group performance targets, but there is NOT consequence for intervention based on these targets

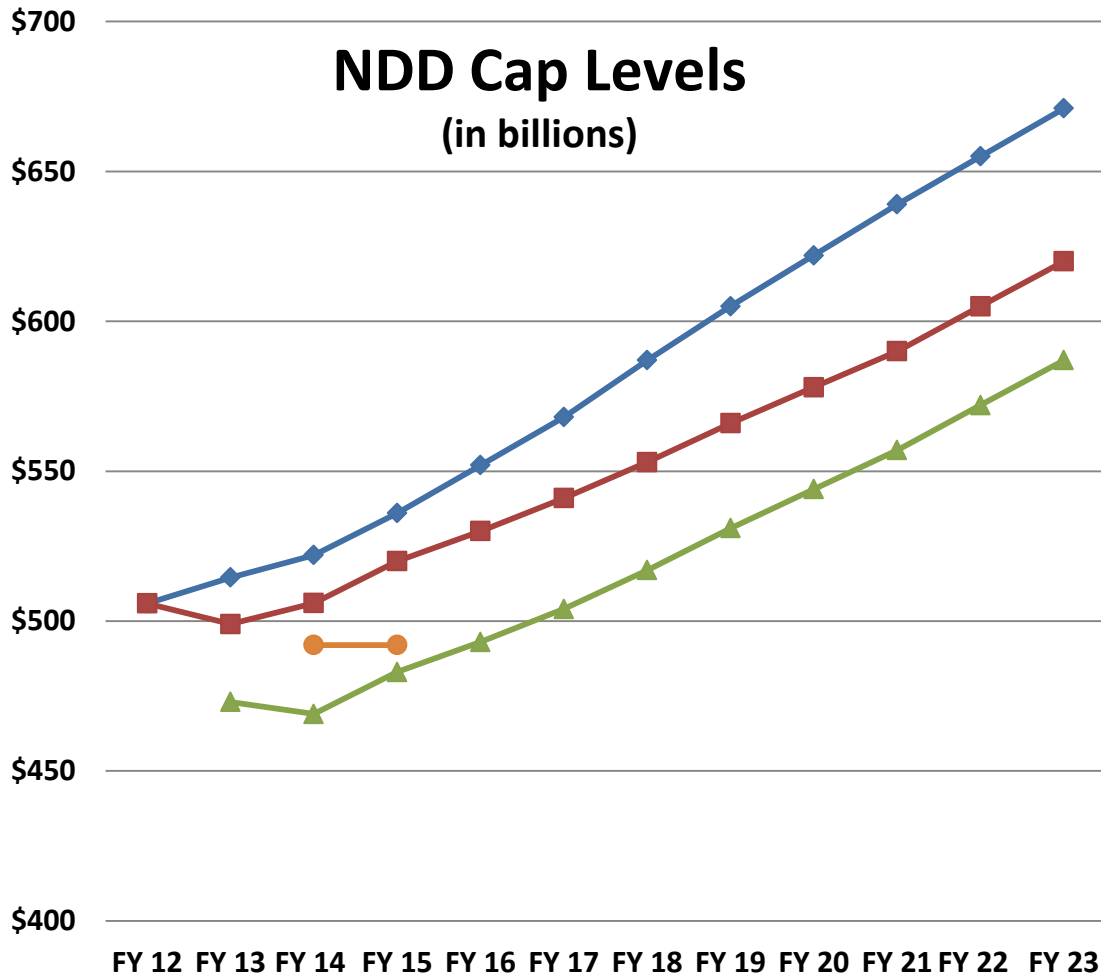
What's in the bill?

- Title I, Other
 - Portability is OUT; weighted funding pilot is IN
 - No Title I Formula rewrite, but there is a Congressional Study
- Rural Education: REAP, USED Study, and consolidated grants
- Titles II (Professional Development) and Title IV (school climate) are block grants
 - Title II formula rewrite, toward deeper concentration of poverty

Timeline & Implementation

- Signed into law (Dec 2015); regulations in 2016
- Current waivers would expire July 31, 2016
- New provisions go into effect for 2017-18 school year
- 2016-17 school year could be 'soft launch' of new elements
- FY16 competitive funding will flow through current law construct; FY17 dollars will flow through ESSA construct (in schools for 17-18 school year)
- Set of AASA resources

Federal Appropriations, a Recap

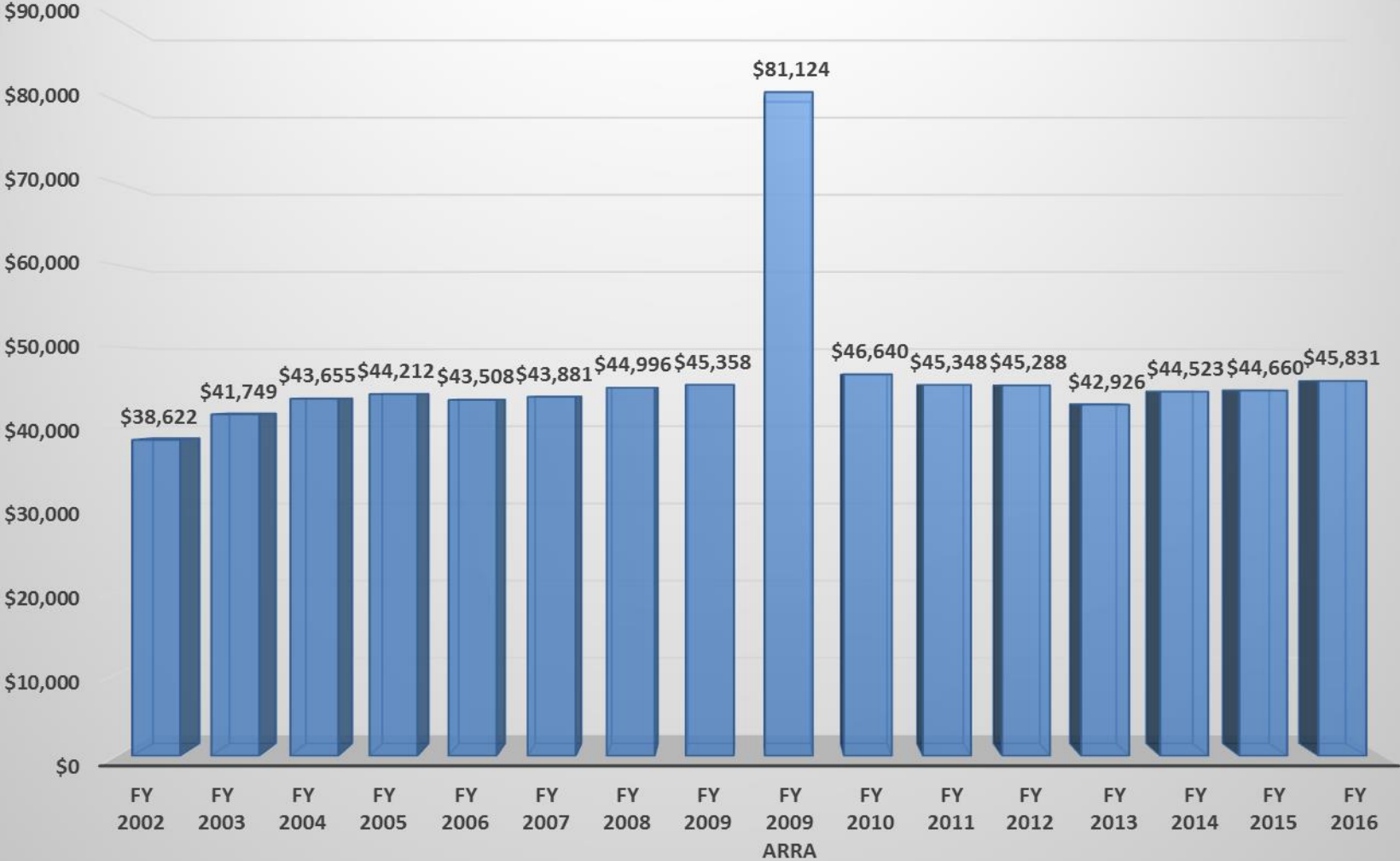


- Federal Fiscal Year (FY) runs Oct 1 – Sept 30
- We are in FY16 (Oct 1 2015- Sept 30 2016)
- FY16 dollars will be in schools for 2016-17 school year
- We are in the non-defense discretionary (NDD) portion of the budget
- Education \$\$ is in the LHHS-Edu approps bill
- Pres FY17 budget came out Feb 9.

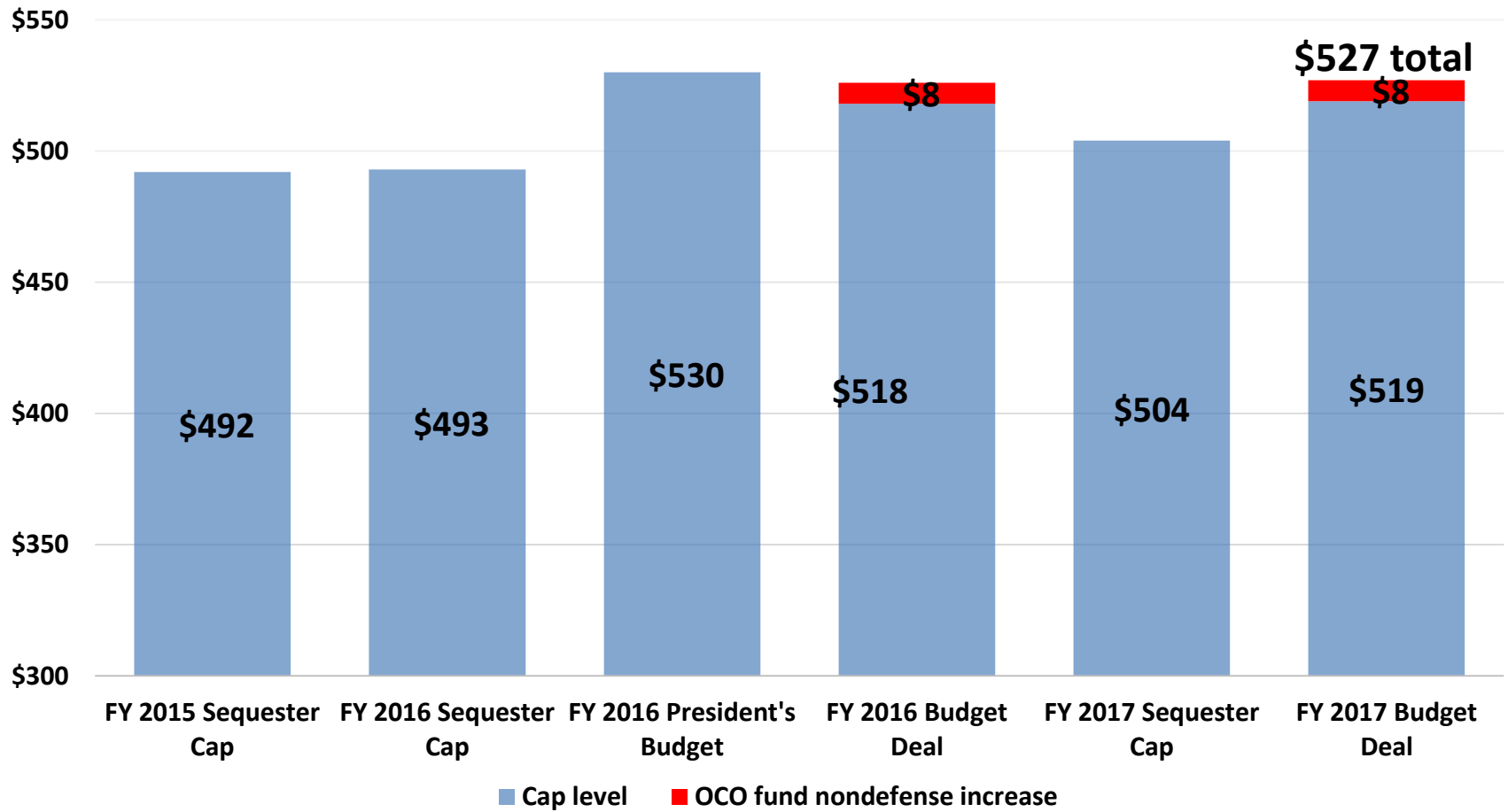
◆ FY 12 Cap adjusted for inflation
 ■ BCA Pre-Sequester Caps
▲ Sequestration
 ● Ryan-Murray

Total ED Discretionary Funding Excluding Pell

in millions



NDD Spending Caps



FY 2016 Spending Caps Fight

- The FY 2016 nondefense discretionary (NDD) sequester level spending cap was a freeze at the FY 2015 level.
- President Obama and Congressional Democrats proposed to raise the cap for NDD by \$37 billion (would bring NDD cap to the presequester level) and also raise defense cap by \$37 billion.
- The FY 2016 Congressional Budget Resolution maintained FY 2016 NDD freeze, while providing \$38 billion increase for defense through the Overseas Contingency Operations (OCO) fund.

FY 2016 Appropriations

- Due to NDD freeze, House and Senate Appropriations Committees had no room for overall increases.
- In dividing up their pots of money, both committees increased funding for some bills (VA-MilCon, Energy/Water) which resulted in significant cut to Labor-HHS-Education.
- House allocation was aggregate cut of \$3.7 billion.
- Senate allocation was aggregate cut of \$3.6 billion.
- Within the bill, both the House and Senate prioritized NIH – leaving less money for education and other programs.

FY16 LHHS-Ed Appropriations

House FY 16

- Cut discretionary Department of Education (ED) funding by \$2.77 billion or 4.1%. Most cuts to K12.
- Increased IDEA State Grants by \$502 million.
- BUT cut ESEA overall by \$2.5 billion.
- Increased Head Start by \$192 million.
- Eliminated 12 programs including
 - Striving readers
 - Preschool development grants
 - Investing in innovation
 - First in the World

Senate FY16

- Cut discretionary ED funding by \$1.36 billion or 2%.
- Increased IDEA State Grants by \$100 million
- Increased Title I by \$150 million
- Cuts ESEA overall by \$873 million
- Eliminated 16 programs including
 - Striving readers
 - Preschool development grants
 - Investing in Innovation
 - First in the World

Bipartisan Budget Act of 2015

- October 2015: Congress passed the Bipartisan Budget Act of 2015
- Increased spending caps for defense and nondefense discretionary (NDD) spending by \$50 billion in fiscal year 2016 and \$30 billion in fiscal year 2017, equally divided between defense and non-defense spending each year.
- In addition, both defense and NDD received an additional \$8 billion per year through the Overseas Contingency Operations (OCO) fund, effectively raising the NDD cap by \$33 billion in FY 2016 and by \$23 billion in FY 2017.

FY16 Omnibus

- Background:
 - President Obama vowed to veto approps bills that didn't maintain parity between defense and NDD
 - Congress passed short term CR (thru Dec 11)
 - Push to 'Raise the Caps'
- Based on new higher NDD cap, the omnibus increased funding for a broad range of NDD programs.
- ED discretionary increased by \$1.71 billion (+1.74%).
- ED discretionary excluding Pell grants increased by the same \$1.171 billion (+2.62%).
- Total discretionary funding for ED (excluding Pell grants) is still below the FY 2010 level prior to accounting for inflation.

FY16 Education Increases: ESSA

- ESEA total = +\$639.1 million (+2.7%)
- Title I = +\$500 million (+3.5%)
- Striving Readers = +\$30 million (+18.8%)
- Impact Aid Basic support payments = +\$17 million (+1.5%)
- 21st century community learning centers = +\$15 million (+1.3%)
- Promise Neighborhoods = +\$16.5 million (+29.1%)
- Indian Education Special Programs = +\$20 million (+111.2%)
- Charter Schools = +\$80 million (+31.6%)
- Magnet Schools = +\$5 million (+5.5%)
- Rural Education Achievement Program = + \$6 million (+3.5%)

FY16 Education Increases

Special Education

- State grants = +\$415 million (+18.7%)
- Preschool grants = +\$15 million (+4.3%)
- Grants for infants and families = +\$20 million (+4.6%)

Adult Education

- State grants = +\$13 million (+2.3%)

- Head Start = +\$570 million (+6.6%)
- Child care Development Block Grant = +\$326 million (+13.4%)

One major K12 cut:

- School improvement State grants = -\$55.8 million (-11.0%)

Looking Ahead: FY17

- Stated goal of FY17 approps bills on floor starting in mid-March, w/ floor time
- Last time all 12 bills separately passed and signed into law was 1994.
- FY 2017 will be first year of funding under Every Student Succeeds Act (ESSA).
Issue with Title I allocations:
 - In FY 2017 States must reserve 7% of Title I funds for school improvement. For that one year, the LEA hold harmless is not in effect. Could result in initial cuts to LEA allocations.
- ESSA block grant (Student Support and Academic Enrichment Grants) funding will likely be significantly below authorized level of \$1.65 billion.
 - Total FY 2016 funding for consolidated programs (Advanced Placement, Safe and Drug-Free Schools, Elementary and Secondary School Counseling, Physical Education Program, Math-Science Partnerships) = \$353 million).
 - With overall NDD freeze, overall ED increase may be negligible, making it difficult to obtain significant increase for the block grant.
- Under current law, the FY 2018 NDD cap will decline compared to FY 2017 level by \$12 billion!

President's FY 17 Budget Request

- \$69.4 b in discretionary funding, an increase of \$1.3 b (2%)
- \$139.7b in mandatory funding over 10 years, including computer science initiative, RESPECT Best Jobs, and Preschool for All
- State Assessments \$25m increase
- Migrant students level funded
- Neglected students level funded
- Title I increase (\$450 m)
- IDEA level funded (16%)
- Title II \$2.25b
- Title III \$800 m (increase of \$63m)
- Title IV \$500m w/ policy language
- REAP level funded
- Impact Aid level funded

Questions? Comments?

- AASA Policy Blog: www.aasa.org/AASABlog.aspx
- AASA Advocacy on Twitter
- Weekly & Monthly Updates

AASA Policy & Advocacy Team

Noelle Ellerson

nellerson@aasa.org

@Noellerson

Sasha Pudelski

spudelski@aasa.org

@Spudelski

Leslie Finnan

lfinnan@aasa.org

@LeslieFinnan