# **EDUCATION WEEK**

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# Federal Budget's Approval Sets Stage for Future Battles

Education advocates are already bracing for protracted budget battles in the coming year, even as they sort the winners and losers in the bill approved by Congress on Thursday financing the U.S. Department of Education and the rest of the federal government through September.

The hard-fought agreement followed months of wrangling between Republicans in the U.S. House of Representatives, who aimed to significantly curtail domestic discretionary spending, including for K-12 education, and the Obama administration, which sought to shelter education and other priorities.

Though a number of smaller, targeted programs ended up being eliminated or cut back over a series of stopgap spending bills, in the end just over \$1 billion was sliced from the U.S. Department of Education's discretionary budget. The final tally: \$68.5 billion for fiscal year 2011, down from \$69.8 billion in the previous fiscal year, excluding Pell Grant money.

The agreement, approved by a 260-167 vote in the House of Representatives and by 81-19 in the U.S. Senate, preserves current-year funding for key formula-grant programs, including Title I grants to districts, financed at \$14.5 billion, and special education state grants, funded at \$11.5 billion.

And the president won a surprise, one-year extensions for two marguee education initiatives launched under the economic-stimulus package in 2009: the Race to the Top competitive-grant program, which will be financed at \$700 million, and Investing in Innovation, or i3, which will receive \$150 million.

### Winners and Losers

Various education programs saw their funding affected over the course of the fiscal year 2011 budget battles. Among them:

#### **Funding Eliminated**

Striving Readers Cuts: \$250 million

Educational Technology State Grants Cuts: \$100 million

Smaller Learning Communities Cuts: \$88 million

Even Start Cuts: \$67 million

National Writing Project Cuts: \$25.6 million

Reading is Fundamental

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By Alyson Klei



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Still, education lobbyists expect to see a replay of the overarching federal funding debate as lawmakers tackle the spending plan for fiscal 2012, which begins Oct. 1.

"We're just going to have this fight all over again," said Joel Packer, a principal with the Raben Group, in Washington, which represents the Committee for Education Funding, a lobbying coalition. The compromise fiscal 2011 spending measure was "not a treaty to end the war, it was more like a truce to go on to the next battle," he added.

### **Murky Process**

Clarity was one casualty of this year's chaotic budget cycle. Certain cuts and funding levels were spelled out explicitly in legislation. But in other cases, the budget negotiators simply came to an agreement on cuts or on programs to be eliminated, congressional sources say.

Education Department officials now will have to make good on those assumed funding cuts, or find other cuts to offset them. The department has 30 days from the law's passage to spell out the details, which are unlikely to show dramatic changes from the final agreement.

The stage was set for the budget tug of war when Republicans made big gains—including taking control of the House—in November's midterm elections, after promising to shrink the federal government.

Earlier this year, the new Republican majority in the House approved a bill that would have pruned more than \$5 billion from the Education Department's budget and cut \$1 billion from the Head Start preschool program, which is administered by the Department of Health and Human Services. ("GOP: Slash Current Aid," Feb. 23, 2011.)

That proposal, which failed to pass in the Senate, included "a pretty extreme version" of a slimmed-down Education Department budget, said Jennifer Cohen, a senior policy analyst at the Federal Education Budget Project at the New America Foundation, a Washington think tank.

"You can see they dialed back a lot of that," she said.

# Notching a Win

Money in the final budget deal for another Race to the Top was especially unexpected, Ms. Cohen said.

"It seems like something the administration put a lot of weight behind" in wheeling and dealing on the legislation, particularly given that the Race to the Top—created as a one-time program

Cuts: \$24.8 million

Literacy Through School Libraries Cuts: \$19 million

Teach for America Cuts: \$18 million

National Board for Professional Teaching Standards Cuts: \$10.6 million

Javis Gifted and Talented Program Cuts: \$7.5 million

Close-Up Fellowships Cuts: \$1.9 million

## Funding Reduced from Fiscal 2010

Teacher Quality State Grants Funded at \$3 billion, Cuts: \$475 million

Career and Technical Education Funded at \$1.2 billion, Cuts: \$138 million

Safe and Drug Free Schools National Programs Funded at \$191 million, Cuts: \$79 million

21st Century Community Learning Centers Funded at \$1.2 billion, Cuts: \$10 million

School Improvement Grants Funded at \$564.4 million, Cuts: \$10 million

# Flat Funding

Title I Grants to Districts \$14.5 billion

State Grants for Special Education \$11.5 billion

Teacher Incentive Fund \$400 million

Pell Grants \$5,500 (maximum)

# Funding Increases, Extensions From 2010

Race to the Top Increase: \$700 million\*

Head Start\*\* Funded at \$7.6 billion, Increase: \$340 million

Investing in Innovation (I3) Increase: \$150 million\* under the American Recovery and Reinvestment Act—has a number of congressional detractors, she added.

The administration had initially sought \$1.35 billion to continue the program in fiscal 2011, which began Oct. 1, and had wanted to allow school districts, not just states, to apply for the grants. But, under the final agreement, the grants still will be awarded only to states. And an unspecified portion of the aid could be used to help states improve early-childhood-education efforts.

#### Promise Neighborhoods

Funded at \$30 million, Increase: \$10 million

 $\ast$  Extends program created under American Recovery and Reinvestment Act.

 $\ast\ast$  Head Start is administered by the Department of Health and Human Services.

SOURCES: Committee for Education Funding; House Appropriations committee; Senate Appropriations Committee

The final compromise also includes a \$340 million boost for Head Start, which serves children from low-income families, bringing it to \$7.5 billion in fiscal 2011.

And it keeps the maximum Pell Grant for low- and moderate-income college students at \$5,550, in part by eliminating students' option of tapping the grants year round. Demand for Pell Grants has soared as more workers have sought postsecondary study to boost their skills amid the tough economic climate.

In another win for the administration, the legislation significantly boosts funding for the Promise Neighborhoods initiative, which is aimed at helping communities build networks of support services intended to improve student outcomes. The program would be financed at \$30 million, a \$20 million boost over fiscal 2010.

#### Taking the Hit

But a number of major programs were chopped from the budget.

The final package eliminates the \$100 million Educational Technology State Grants program, which provides formula grants to states to purchase technology. And it scraps the \$42 million Byrd Honors Scholars program, which provides formula grants to states to offer merit scholarships.

Even before the final agreement, the lawmakers had passed a series of short-term spending bills that included education-related cuts.

For instance, one measure approved in March effectively eliminated more than a dozen K-12 programs, including the \$67 million Even Start family-literacy program, the \$88 million Smaller Learning Communities program, and the \$250 million Striving Readers comprehensive-literacy program.

That measure also included cuts of aid to several national nonprofit groups or programs, including \$18 million for Teach For America, \$25.6 million for the National Writing Project, and \$24.8 million for Reading Is Fundamental.

None of those cuts was restored under the final spending plan.

But the agreement sets aside 1 percent of the Teacher Quality State Grants program for a new, competitive program. Many of the programs that lost their federal funding—including TFA and the National Writing Project—will be eligible to compete for the money.



The final agreement also includes smaller reductions to other education programs.

For instance, Title I School Improvement Grants, which are aimed at turning around the lowest-performing

schools, will be funded at \$536 million, a \$10 million cut. And the \$119 million Teaching American History program will be cut by \$73 million, to \$46 million.

The GEAR-UP and TRIO college-access programs will also be trimmed under the agreement. GEAR-UP, which got \$323 million in fiscal 2010, will lose \$20 million. And TRIO, which got \$853 million last year, will lose \$25 million.

The measure will provide money, meanwhile, to reinstate the District of Columbia Opportunity Scholarship program, which offers aid to public and charter schools in Washington and provides vouchers of up to \$12,000 for low-income students to attend private schools. The legislation was a key priority of Speaker of the House John A. Boehner, R-Ohio.

#### **Unhappy About Cuts**

Even though education was spared some of the more dramatic reductions initially sought by House Republicans, many education organizations were unhappy with the final agreement and urged Congress to reject it.

For instance, the American Association of School Administrators, based in Arlington, Va., told federal lawmakers that the cuts would hinder the nation's long-term ability to compete in the global economy.

"These programmatic cuts and eliminations undermine the efforts of school districts across the nation and devastate programs benefitting children and students," Noelle Ellerson, the AASA's assistant director of policy and advocacy, wrote in an April 13 letter to lawmakers.

The two top education lawmakers in the House had very different views on the bill.

Rep. John Kline, R-Minn., the chairman of the House Education and the Workforce Committee, voted for it as a step toward getting the nation's fiscal house in order, which, in his view, ultimately will benefit students.

"Chairman Kline believes the final agreement is an important part of the Republican efforts to reduce federal spending and support the prosperity of future generations. Even the best education system in the world cannot prepare children for success in a nation consumed by debt," said Brian Newell, a spokesman.

But Rep. George Miller, D-Calif., the top Democrat on the committee, voted against it, saying that the cuts squeeze the middle class and won't do much to cut the deficit.

"I object to the fact that this deal to keep the government running was made, once again, on the backs of the middle class, workers and poor families," he said in a statement.

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