

FEDERAL EDUCATION POLICY UPDATE

FASFEPA
October 4, 2017

Leslie Finnan
Senior Legislative Analyst

AASA: The School Superintendents Association

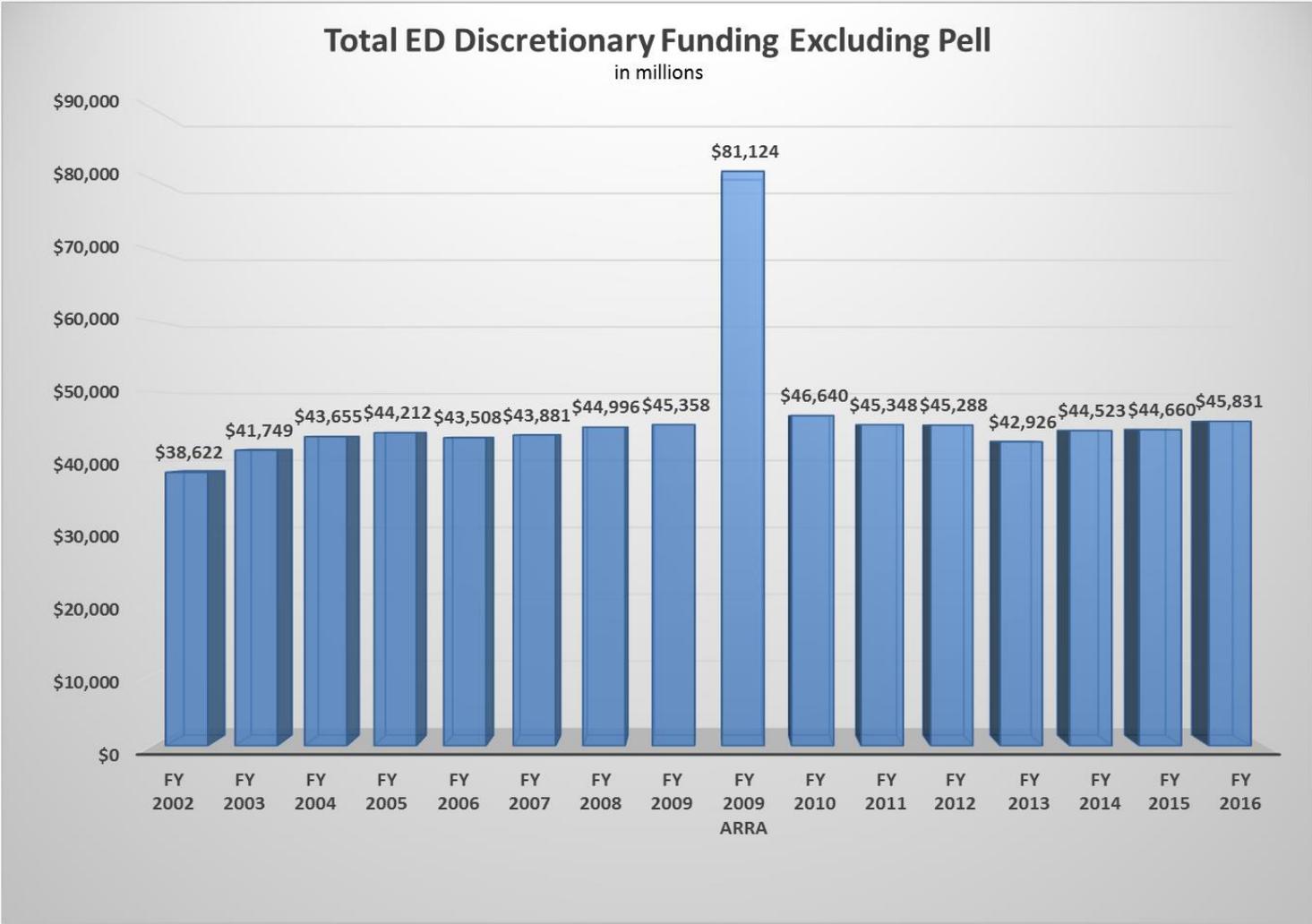
OVERVIEW

- Funding
- ESSA
- Healthcare
- Taxes
- Vouchers/choice
- Rural support
- DACA
- Other Issues
- Questions

CURRENT CLIMATE

- In September alone, Congress had to:
 - Pass 12 appropriations bills
 - Raise the debt limit
 - Pass funding for Harvey and Irma
 - Reauthorize CHIP, FAA, and other legislation
- Shortly following, they want to:
 - Pass new DACA legislation (more on that later)
 - Pass comprehensive tax reform

FUNDING



FY17 FUNDING PACKAGE

- \$68.2 b for USED at base level, but when we account or \$1.3 b rescission to Pell, the level is \$66.9(\$1.1 below FY16)
- ESSA
 - Title I increased by \$550 m (\$450m from SIG), still short at LEA level
 - Title II cut by \$294m (13%) to \$2.1 billion
 - Title IV funded at \$400 m (revert to competitive?)
- Other
 - IDEA receives \$90 m increase (still at just 16% of federal share)
 - Impact Aid up \$23m to \$1.3b
 - 21st Century up \$25 m
 - Charter Schools up \$9m
 - Head Start up \$85 m
 - Includes reauth of DC voucher program

FY18 TRUMP BUDGET PROPOSAL

- FY18 Priority: Very real deep cuts.
 - Parity between defense/non-defense discretionary
- \$54b increase for defense discretionary; paid for with \$54 b cut to NDD
- \$9 b (13%) cut to USED
- \$1.4 b increase for school choice/privatization
 - \$1b for Title I portability; \$250 m for vouchers; \$168 m for charters
- Cuts IDEA and Title I local allocations, as well as Carl D Perkins (Career/Tech)
- Eliminates Title IIA, Title IV and 21st Century Community Learning grants
- Eliminate 20 other categorical grants

HOUSE FY 18 APPROPRIATIONS

- Passed the House last week
- USED funded at \$66 billion, down \$2.4 billion from FY17
- The good(ish):
 - Level funding for Title I, IDEA (slight increase to stay at 16%), Perkins
 - Does not include voucher/school choice provisions (small bump to charter schools)
- The bad
 - Cuts \$2.4 billion to USED (3.5%)
 - Eliminates \$2 billion of Title II
 - Cuts after-school programming \$100 million
 - Does not fill in Title I shortfall, Title IV formula requirements

SENATE FY 18 APPROPRIATIONS

- Overall funding at USED is \$68.3 billion, UP \$29 million over FY17
 - \$2.05 billion for Title II (rejecting Trump elimination)
 - \$1.2 billion for 21st Century Community Learning Centers (Trump eliminates)
 - \$25 million increase for Title I
 - Level funds IDEA
 - Level funds Perkins
- Also includes no school choice proposals – rejecting Trump administration priorities

STATE PLAN REVIEW PROCESS

- USED has been more hands-on in the review process than expected
 - However, states have chosen to resubmit
- 14 states (and DC) currently approved, with 36 awaiting approval, including Florida

CONGRESSIONAL REVIEW ACT

- Previously little-used Congressional action to undo the regulations from a previous administration
 - Used for two education regulations
 - Teacher preparation program evaluation
 - ESSA accountability regulations
- This does NOT push rules back to NCLB laws
 - ESSA will continue as written in the ESSA statute
 - CRA means to act like regulations were never written

TITLE IV

- Funded at \$400 million – some states will switch to competitive
- If district allocation is over \$30,000, you must
 - Conduct a needs assessment
 - Spend 20 percent of its grant on safe and healthy school activities
 - Spend 20 percent on activities to provide a well-rounded education programs.
 - Can spend up to 15 percent on spending for devices, equipment, software and digital content
- If district allocation is below \$30,000, the law does not require a needs assessment or setting aside percentages for well-rounded and safe and healthy students programs
 - The 15 percent technology purchase cap still applies

HEALTHCARE

- Medicaid:
 - House bill (AHCA) and Senate bills (first BCRA, then Graham-Cassidy) would change the way Medicaid is funded
 - Would create block grant to states – allowing states to decide which institutions to reimburse
 - Would also lead to lower funding levels
- CHIP:
 - Provides health insurance for low-income children not covered by Medicaid
 - Many students on CHIP receive health care in schools as a part of the Medicaid program
 - Funding expired last week – Florida has enough money to keep the program running until between January and March
 - We are urging the House to pass the bipartisan Senate bill – reach out to your Representatives!

TAXES

- Three main elements of taxes that we are following
 - Elimination/changes to Mortgage Interest Tax Deduction
 - Could affect property taxes
 - Elimination/changes to charitable donation deduction
 - Could affect donations to schools or other education programs
 - Elimination of the State and Local Tax Deduction (SALT-D)
 - Could affect ability of states and locals to raise taxes to pay for schools

TYPES OF VOUCHERS



Traditional Vouchers

- All Students
- Targeted
 - Military
 - Disabilities
 - Poverty
 - Poor Performing Schools
 - Foster Child



Backdoor Vouchers

- Tuition Tax Credits
- Education Savings Accounts



Portability

- A Step Towards Vouchers
- Title I funds “follow the student”

TUITION TAX CREDITS

- What is a tuition tax credit?
 - Allows taxes owed to a state by individuals or corporations to be redirected into charitable donations to voucher nonprofits that then bundle the donations and distribute tuition checks to families to use to attend private schools
- Is it a voucher? You better believe it is.
 - Provides opportunity for students to leave public schools for private schools and allows wealthy taxpayers and corporations to pay less than their share of taxes, which also support public schools.
 - Limited accountability for private schools and lots of money from taxpayers looking for a tax break.



1 Individuals and companies donate to scholarship nonprofits

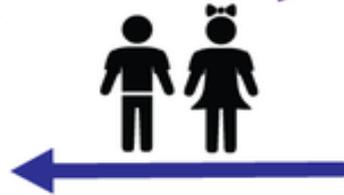


2 SGOs take a cut and use the rest to provide scholarships to qualified families



4 After a state credit and federal tax deduction, donors in some states can make more money than they gave

3 Students can choose to attend a private or religious school



DACA

- Recently, President Trump announced he will be ending the DACA program
 - Gives Congress six months to come up with an alternative
 - Impacts about 250,000 students
- AASA opposes this change
 - Resources posted to our blog
 - <http://aasa.org/policy-blogs.aspx?id=40802&blogid=84002>
 - Advice to schools:
 - Know your rights – ICE agents are not allowed on school grounds
 - Do not collect information you do not want to share – especially immigration status of students or parents

PERKINS CTE

- 114th Congress
 - House passed bipartisan legislation in July 405-5 to reauthorize Perkins, Senate didn't take action
- 115th Congress
 - In June, the House passed a very similar bill
 - There is much to like in the bill
 - Addresses the onerous administrative requirements for Perkins funding
 - Addresses paperwork burden by allowing districts to fill out a simple, easy-to-complete local application
 - Streamlines the accountability system and aligns performance measures with those set by each state under ESSA

SCHOOL NUTRITION

- 114th Congress
 - House and Senate introduced bills last year, did not make it out of Committee
- 115th Congress
 - Attention in the Senate to be on the Farm Bill instead this year
- USDA Proclamation
 - Secretary Purdue signed proclamation ordering flexibilities
 - Essentially status quo
 - Holding sodium limits at Target 1
 - Allows for waiver of whole grain requirement to 50%
 - Allows 1% flavored milk to be served

SCOTUS AND EDUCATION

- Last season
 - Grimm:
 - Case re: guidance on transgender students and bathrooms
 - Fry:
 - Must a family exhaust provisions under IDEA before exercising protections under ADA? Yes, if the issue is directly related to the IEP
 - Endrew:
 - Question of level of ‘benefit’ special education must provide – requires an IEP to be “reasonably calculated to enable a child to make progress in light of the child’s circumstances”
 - Trinity Lutheran
 - Very limited decision, allows federal funds to go to religious institutions for non-religious activities
- This season
 - Union fee case to be reheard

EARLY LEARNING

- Child care as a Trump (family) priority
- Democrats released a comprehensive bill last month
 - Provides financial incentives to states to beef up their programs for 3 and 4 year-olds in high-quality preschools
 - Increases workforce training and compensation
 - Broader support for Head Start
- Child care tax credit increased in tax proposal

I PUBLIC EDUCATION

- New AASA campaign to spread the positive message about public education
- Find our resolution and adopt it for your district

[Lovepubliceducation.org](https://www.lovepubliceducation.org)

#LovePublicEducation

AASA LEGISLATIVE AGENDA

- ESSA
- School Nutrition
- Perkins Career/Tech
- IDEA
- Rural Education (REAP, Forest Counties, Impact Aid)
- School Vouchers
- E-Rate/Lifeline/EBS
- Student Data & Privacy
- Charters
- Higher Education Act
- Early Education
- Affordable Care Act
- Regulations: DoL and EPA
- Immigration / DACA
- More?

AASA POLICY & ADVOCACY TEAM

Noelle Ellerson Ng

nellerson@aasa.org

@noellerson

Sasha Pudelski

spudelski@aasa.org

@Spudelski

Leslie Finnan

lfinnan@aasa.org

@LeslieFinnan

QUESTIONS?