Committee for Education Funding

Budget Response

Fiscal Year 2014

CEF’s Position Statement on President Obama’s FY 2014 Budget Request
About the Committee For Education Funding

The Committee for Education Funding (CEF) is a coalition founded in 1969 with the goal of achieving adequate federal financial support for our nation’s educational system. The coalition is voluntary, nonprofit, and nonpartisan. CEF members include 108 educational associations, institutions, agencies, and organizations whose interests range from preschool to postgraduate education in both public and private systems.

The purpose of CEF is to provide members of the general public and government officials with information enabling them to better assess the need for funding of federal education programs. CEF takes positions on federal education funding issues that represent a consensus of its membership and then communicates those positions to federal government officials and members of Congress.

The Committee for Education Funding is managed by the Raben Group and is governed by the membership as a whole with a 16-member Board of Directors, including three officers elected from among the membership. CEF publishes timely updates, holds weekly meetings of its membership providing a forum for information exchange and policy discussions, and sponsors seminars on current policy issues led by recognized experts. CEF provides information and assistance to members of Congress and the Administration on education funding issues, as well as holding numerous briefings and policy meetings with congressional staff and Administration officials throughout the year. At its annual Gala, CEF honors outstanding advocates of federal education investment.

As the oldest and largest coalition of education associations in existence, the Committee for Education Funding provides a strong and unified voice in support of increasing federal education funding. We invite comments and inquiries regarding CEF membership or its publications.

*When Our Students Succeed, Our Nation Succeeds!*

A list of CEF member organizations is available at: [http://cef.org/who-we-are/member-organizations](http://cef.org/who-we-are/member-organizations).

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The Committee for Education Funding Commends the President’s Budget for Investing in Education

*Concerned About Funding Freeze for Most Formula Programs
Urging Congress to Replace the Sequester Cuts*

April 22, 2013

The Committee for Education Funding (CEF), a coalition of over 100 national education associations and institutions representing preschool to postgraduate education, commends President Obama’s Fiscal Year (FY) 2014 budget for prioritizing investing in education as a proven strategy to increase jobs and improve our nation’s economic growth and competitiveness.

The budget proposes to repeal the harmful sequester cuts starting in FY 2014 and replace them with a balanced package of deficit reduction. Sequestration cut education programs in FY 2013 by almost $2.5 billion and Head Start by $401 million. The most important step Congress can take to help students, schools, colleges, and libraries is to replace the sequester cuts.

Within a constrained fiscal environment and tight spending caps imposed by the Budget Control Act, the budget proposes a $3.1 billion or 4.5 percent increase compared to the FY 2012 pre-sequester levels for discretionary funded programs in the Department of Education. Compared to the final FY 2013 post-sequester levels, the budget represents an increase of $5.5 billion or 8.4 percent.

In addition, the budget proposes major new investments in education on the mandatory spending side for preschool, preventing further teacher and other educator layoffs and restoration of educator jobs lost, improving the preparation and quality of teachers and school leaders, and training workers through community colleges.

The budget also proposes to reduce the cost of financing for construction and repair of public schools, State universities, and school buildings sponsored by non-profit educational entities. This will be accomplished by issuing America Fast Forward school construction bonds, with an enhanced 50 percent interest subsidy in 2014 and 2015 to encourage immediate investment in school construction.

According to CEF president Myrna Mandlawitz, “We are very pleased the budget stops the devastating sequester cuts and with the overall level of education funding, but we are deeply concerned with the proposed freeze compared to the pre-sequester levels for virtually all current education programs.” The large majority of the proposed discretionary increase is for new programs or increased funding for competitive grant programs.

Mandlawitz said further, “A funding freeze will actually result in a reduction in services to students when the impact of inflation, enrollment increases, and an increase in students in poverty is factored in.”

At the elementary and secondary levels, the foundation programs – Title I and IDEA State grants – receive no increases. Indeed, the federal share of educating students with disabilities will decline to 15.4 percent from 16.3 percent in FY 2012. Other critical K-12 programs including Impact Aid basic support payments, English language acquisition grants, homeless education, literacy programs, rural education, teacher quality grants, magnet schools, and funding for State assessments all are frozen at their FY 2012 levels. CEF opposes the budget’s proposed elimination of Impact Aid payments for federal property.

Beyond K-12 education, funding for career, technical and adult education State grants, SEOG, TRIO, GEAR UP, aid to historically black colleges and universities and other minority-serving institutions, HEP/CAMP, graduate education, and the regional education labs are also frozen at their FY 2012 levels.

CEF believes additional resources for key current programs will help achieve the Administration’s goals of ensuring students graduate from high school college- and career-ready, improving educator quality, increasing college access and completion, and providing students with the skills they need for 21st century jobs.
CEF supports proposed increases for School Improvement Grants, Promise Neighborhoods, safe and healthy students, after school, STEM, high schools, school leadership, and the Institute of Education Sciences.

The Administration’s budget proposes to consolidate several ESEA programs into new flexible funding streams. While such consolidations will be decided in the ESEA reauthorization, from a budgetary perspective CEF believes any program consolidations should not result in the elimination of essential functions such as improving teacher preparation at institutions of higher education, family engagement, or providing K-12 students with sufficient specialized instructional support personnel.

CEF is also pleased with the budget’s support for college access though an increase in the Pell grant maximum award to $5,785, a $150 million increase for college work-study, and the permanent extension of the American Opportunity Tax credit.

CEF supports new and increased investments in early childhood education, including $75 billion in mandatory funding over ten years for Preschool for All, the Preschool Development Grants, and the Early Head Start – Child Care Partnerships. CEF also supports proposed increases in Head Start, the Child Care and Development Block Grant (CCDBG), and IDEA grants for infants and families.

While CEF is pleased with overall education investments in the budget, the sequestration cuts enacted in FY 2013 represent a major threat to students, K-12 schools, and postsecondary institutions. The sequester cuts, which began on March 1, 2013, decreased all education programs other than Pell grants by 5 percent across-the-board. “Unless Congress enacts a balanced deficit reduction plan to replace the $1.1 trillion in remaining sequestration cuts, education programs will be locked in to these lower levels. Indeed, non-Pell grant funding for the Department of Education in FY 2013 is lower than it was in FY 2004 – moving us nine years backward in efforts to close academic achievement gaps, improve overall student achievement and educator quality, and increase high school graduation, college access, and completion rates,” said CEF Executive Director Joel Packer.

Packer noted, “In FY 2011 and FY 2012, over 50 education programs were terminated, totaling $1.2 billion in lost education funding. Since FY 2010, overall discretionary spending for education, exclusive of Pell grants, has been cut by almost $4 billion. Due to restrictions on student aid eligibility and loan subsidies, college students have contributed $4.6 billion to deficit reduction. At the State and local levels budget cuts have eliminated 358,000 public school employees’ jobs in the past four years, and State per student support for higher education is at its lowest level in 25 years. That’s why the investments proposed by the president are more important than ever. Students, schools, and colleges need stable, predictable sources of funding.”

“We look forward to working with the Administration and Congress to overturn the sequester and reverse the largest education cuts in history and provide needed investments,” said Mandlwant. “The president’s budget moves our country forward through investments that grow our economy and help students get the skills they need for jobs of the future, while sequestration moves us backward through unprecedented devastating cuts from preschool through graduate education.”
SUMMARY/ANALYSIS OF THE PRESIDENT’S FY 2014 BUDGET FOR EDUCATION

April 16, 2013

BACKGROUND

President Obama issued his Fiscal Year (FY) 2014 budget on April 10. Before turning to the specifics for education, it is important to understand the context in which the budget is issued as well as the overarching policies.

Since January 2011 when Republicans gained the majority in the House of Representatives, the president and the Democrats on one side and House and Senate Republicans on the other have been engaged in a lengthy ongoing series of battles over federal budget issues.

While both parties are in general agreement on the need for long-term deficit reduction, they have expressed deep differences about how to reduce the deficit. The general Republican position is that the deficit should be reduced solely through additional spending cuts, defense spending should be protected from cuts as much as possible, and revenues should not be increased. The general Democratic position is that the deficit should be reduced by a “balanced approach” which must include additional revenues from upper-income individuals and closing corporate tax loopholes, along with some targeted cuts to mandatory spending and defense, and investments in areas such as education, infrastructure, and research and development.

The previous Congress enacted several rounds of spending cuts. These included the FY 2011 Continuing Resolution which cut non-defense discretionary (NDD) spending, the Budget Control Act which produced savings through imposed caps on both defense and NDD spending, and the American Taxpayer Relief Act which increased revenues on upper-income taxpayers. In addition, on March 1 the sequester cuts took effect. Unless Congress acts to replace the sequester, those cuts will stay in effect through FY 2021.

According to the president’s FY 2014 budget, cumulative spending cuts to date total $1.444 trillion. The sequester will add an additional $893 billion in cuts for a total of $2.337 trillion. Total increased revenues equal $660 billion. Thus, enacted spending cuts are more than three and one-half times greater than revenue increases.

KEY COMPONENTS OF THE PRESIDENT’S BUDGET

Overall, the president’s budget replaces sequestration with a more balanced mix of spending cuts and revenue increases resulting in $1.8 trillion in deficit reduction over the ten-year budget window — significantly more than sequestration. Specifically, he calls for $583 billion in new revenues, $600 billion in mandatory program savings, implementation of the chained CPI for Social Security benefits and other program inflation adjustments, and $200 billion in discretionary savings split between defense and non-defense starting in 2017 from the pre-sequester levels.

The revenue increases come from two sources. $530 billion is raised by limiting the value of tax deductions and exclusions to the 28 percent tax bracket, effectively capping their value for higher earners. The additional $53 billion in revenue would come from implementation of the “Buffet rule” that would effectively impose a new 30 percent minimum tax for millionaires.

The president and his staff have made clear they will not accept the chained CPI or proposed mandatory spending cuts in the absence of revenue increases and the repeal of the sequester.

Because the president’s budget was submitted much later than usual, the House and Senate have already passed their own budget plans. These budget resolutions, both passed on partisan votes, are radically different in their vision of the federal budget and the role of the federal government. The House—passed budget would maintain the sequester cap levels, but shift all of the proposed defense cuts to NDD programs, resulting in a cut to education and other NDD programs of almost 12 percent below the FY 2014 sequester level. Overall, the House budget would achieve a balanced budget in ten years through a total of $4.6 trillion in additional spending cuts with no revenue increases. By contrast, the Senate—passed budget replaces the sequester, raises revenues by almost $1 trillion, reduces defense, and imposes modest cuts to mandatory programs, while also investing in education.

The key issue facing education and other non-defense discretionary spending programs is whether or not Congress and the president can reach agreement on a balanced deficit reduction package to replace the sequester. Absent an agreement to replace the sequester it will be virtually impossible to enact and fund any of the proposed new education programs and/or increase funding for existing education programs proposed in the budget. Indeed, without replacing the sequester it will be very difficult to restore the $2.5 billion in education cuts already enacted in FY 2013.
As of now, the two parties remain far apart on these issues. Republican leadership continues to oppose any new revenues and supports deeper cuts than are included in the president’s budget to Medicare, Medicaid and other entitlements. On the other hand, liberal Democrats and allied organizations strongly oppose the chained CPI proposal that the president has agreed to support as part of a balanced deficit reduction package.

The next deadline that might result in some type of agreement on replacing the sequester is when the debt ceiling must again be addressed, which may not occur until the fall.

**EDUCATION PROVISIONS**

Education funding is a major priority in the president’s budget, which would increase discretionary spending at the Department of Education by $3.1 billion (+4.5 percent) compared to the FY 2012 pre-sequester level. Compared to the final FY 2013 post-sequester level it represents an increase of $5.5 billion (+8.4 percent).

However, most of the proposed increase in funding is either for new programs such as Preschool Development Grants ($750 million), High School Redesign ($300 million), Race to the Top for higher education ($1 billion) and First in the World ($247 million); increases in competitive grant programs such as School Improvement Grants (+$153 million), Promise Neighborhoods (+$243 million) and Investing in Innovation (+$73 million); or, increases in proposed new programs based on consolidation of existing programs such as Successful, Safe and Healthy Students (+$84 million) and STEM Innovation (+$273 million). [Note: All increases are compared to final FY 2013 levels.]

Most existing programs, including key foundational programs (Title I, IDEA, Impact Aid support payments, Language Acquisition State grants, TRIO, GEAR-UP, Career and Technical Education, and aid to HBCUs, Hispanic-Serving and other minority serving higher education institutions), are frozen at pre-sequester levels. Impact Aid payments for federal property would be cut by $67 million below the FY 2012 pre-sequester level.

**To reiterate, unless the sequester for FY 2014 is replaced, none of these post-sequester increases will occur.** Indeed, under the House-passed budget, education programs would face far deeper cuts than the sequester levels.

**Mandatory Funding**

In addition to the discretionary increases and changes proposed, the budget includes significant mandatory funding for education:

- $75 billion over ten years for Preschool for All ($1.3 billion in FY 2014): “Funds would support grants to States for the implementation of high-quality preschool programs that are aligned with elementary and secondary education systems. The Department of Education would share costs with States to provide universal access to high-quality preschool for children from low and moderate income families and provide incentives for States to serve additional children from middle-class families.”

  **OUTLOOK:** The Administration has made this a big priority, but getting Republicans to agree to both a significant new mandatory funded program and to agree to pay for it with an increase in tobacco taxes will be a very heavy lift.

- $12.5 billion for Education Jobs: “One-time Funds would support formula grants to States to retain, rehire, and hire early childhood, elementary, and secondary educators, including teachers, guidance counselors, classroom assistants, after-school personnel, tutors, and literacy and math coaches.”

  **OUTLOOK:** There is no real chance this will be enacted. Last year’s budget proposed $25 billion for a similar program which went nowhere.

- $8 billion for Community College To Career Fund ($4 billion each in the Departments of Education and Labor): “Beginning in 2015, provides $8 billion ($4 billion each in the Departments of Labor and Education) over three years to support and evaluate community college-based training programs that build the skills of American workers, with a particular emphasis on initiatives with strong State and community college partnerships with businesses. The Fund will be jointly administered by the Departments of Labor and Education and is the successor to the Trade Adjustment Assistance Community College and Career Training program in the Department of Labor, for which 2014 is the final year of funding.”

  **OUTLOOK:** As with other proposed new mandatory funded programs, this will need a “pay for.” It will likely prove difficult to find $8 billion in either tax increases or spending cuts to pay for this; however, since it is an extension of an existing program, it might have a chance.

- $5 billion in one-time mandatory funds for the RESPECT Project: “Would help States and districts reshape the teaching profession through grants to States and consortia of districts with the most ambitious plans and policies for reforming the teaching profession. Funds would be used to reform teacher and principal preparation programs; strengthen teacher and principal evaluation and professional development systems; redesign educator career ladders and compensation systems to attract and retain top talent; and create conditions in schools that support effective teaching, including greater autonomy, shared leadership and responsibility for student outcomes, and time for collaboration.”
**OUTLOOK:** There is virtually no chance Congress creates this program. It was proposed in last year’s budget and went nowhere.

In addition to funding for the Department of Education, early education programs in the Department of Health and Human Services (HHS) would receive significant funding boosts as well, with Head Start increased by $606 million (+8 percent over its final FY 2013 level) and $1.4 billion for a new Early Head Start – Child Care Partnership program.

**Tax Proposals**

On the tax side, the budget proposes to permanently extend the American Opportunity Tax Credit that helps families pay for college costs.

**OUTLOOK:** This is unlikely since Congress in January just extended this program for five years and a further extension would need an offset.

The budget also proposes a new America Fast Forward (AFF) Bonds program. AFF will build upon the Buy America Bonds program in the Recovery Act, broadening it to include similar programs like the qualified private activity bonds program while also making the combined program more flexible. AFF Bonds will attract new sources of capital for infrastructure investment, including from public pension funds and foreign investors that do not receive a tax benefit from traditional tax-exempt debt.

As part of the AFF Bonds program, the budget proposes to reduce the cost of financing for building and repairing public schools, State universities, and school buildings sponsored by non-profit educational entities by issuing AFF school construction bonds, with an additional interest subsidy in 2014 and 2015 to encourage immediate investment in school construction. The proposal provides a temporary 50 percent federal subsidy for America Fast Forward Bonds for School Construction.

Eligible uses would include (1) original financing for governmental capital projects for public schools and State universities and (2) new money financing for section 501(c)(3) nonprofit educational entities, such as nonprofit schools and nonprofit universities that could use qualified section 501(c)(3) bonds. Issuers could choose to issue America Fast Forward Bonds for School Construction or traditional tax-exempt bonds.

For America Fast Forward Bonds for School Construction issued in 2014 and 2015, the Treasury Department would make direct payments (through refundable tax credits) to State and local governmental issuers in an amount equal to 50 percent of the coupon interest on the bonds. This represents a deeper federal subsidy for temporary stimulus purposes than the existing permanent federal subsidy inherent in tax-exempt governmental bonds or qualified section 501(c)(3) bonds, or the proposed 28 percent federal subsidy rate for the permanent America Fast Forward Bond program.

**OUTLOOK:** Too soon to tell. Since this is not a spending program but a tax subsidy based on similar programs, it might have some viability. However, it will likely need to be included in a broader package of tax reforms.

**EARLY CHILDHOOD EDUCATION**

Early childhood education is a major new priority for the president, not just as a priority within the education budget but as an overall budget and policy priority.

The proposal includes three main components: $75 billion in mandatory funding over ten years for States to expand access to preschool for children in families under 200 percent of the poverty line; $15 billion in mandatory funding over the next ten years to extend the evidence-based home visiting program now funded through 2014 under the Affordable Care Act; and, $1.4 billion in 2014 to expand high-quality early education for infants and toddlers through partnerships between Early Head Start and child care providers. (The budget also includes additional funding for discretionary and mandatory child care funding.)

Within Education, two pieces would receive funding in FY 2014:

- $1.3 billion in FY 2014 and $75 billion over 10 years in mandatory funding for “Preschool for All, a new Federal-State partnership that will support the implementation of high-quality preschool programs that are aligned with elementary and secondary education systems and help ensure that all children arrive in kindergarten ready to learn. The Federal Government would provide funding through a cost-sharing model with States to serve all children from low- and moderate-income families, create an incentive for States to expand access to high-quality preschool for additional middle-class families, and promote access to full-day kindergarten and high-quality early learning programs for children under the age of four.”

  “States would use these funds to expand access to high-quality preschool to four-year-olds with incomes under 200 percent of the poverty line. States would be required to contribute their own funds to the initiative as well, with the State share of the costs growing over time. States that already offer universal preschool to low-income four-year-olds could use the funds to expand full-day kindergarten for low-income students or, if full-day kindergarten is already in place, to expand preschool for low-income three-year-olds. States would have a financial incentive to increase access to high-quality preschool for middle-income students as well.”
• $750 million for “competitively awarded Preschool Development Grants to help build State capacity to implement high-quality preschool programs. Funds would be awarded to States with preschool systems at various stages of development and would support activities needed to ensure that every State has the high-quality system needed to implement the Preschool for All program.”

The mandatory portion of the preschool initiative is financed by an increase in taxes on tobacco products, including an increase on cigarettes of $0.94 per pack.

OUTLOOK: See comments above.

In addition to this proposed program, the budget provides an increase of $20 million for Grants for Infants and Families under the Individuals with Disabilities Education Act (IDEA) “to help States implement statewide systems of early intervention services for all eligible children with disabilities from birth through age 2 and their families.”

In HHS, the budget requests $1.4 billion to create Early Head Start – Child Care Partnerships “that will help states and communities to expand the availability of early learning programs that meet the highest standards of quality for infants and toddlers, serving children from birth through age three. Funds will be competitively awarded to new and existing Early Head Start programs that will partner with child care providers that serve a high number of children with child care subsidies. Through these partnerships, the Early Head Start program will work with child care providers to create high-quality slots that are full-day, offer comprehensive services that meet the needs of working families, and prepare children for the transition to preschool.”

The president has also proposed extending and expanding the evidence-based home visiting program. The Departments of Education and Health and Human Services will collaborate to ensure the investments at both agencies together will build a cohesive and well-aligned system of early learning from birth to age five.

ELEMENTARY AND SECONDARY EDUCATION

As in several previous Obama budgets, the FY 2014 budget proposes to fund programs authorized under the Elementary and Secondary Education Act (ESEA) based on the Administration’s ESEA blueprint released in March 2010 (http://www2.ed.gov/policy/elsec/leg/blueprint/blueprint.pdf).

OUTLOOK: There is little chance Congress will reauthorize ESEA this year and essentially no chance it will do so prior to action needed on the FY 2014 appropriations bills. Thus, most of the proposed consolidations and new programs are unlikely to occur. However, the appropriations bill can revise programs and fund new ones. Therefore, if the Administration pushes hard enough, it is possible some of these policy changes can be enacted. As noted above, absent a replacement of the sequester, funding any new programs will be extremely difficult.

Also as noted above, key programs would be frozen at their FY 2012 pre-sequester levels including Title I grants to school districts, Impact Aid basic support payments, Migrant Education, Neglected and Delinquent Children and Youth, Homeless Children and Youth, State assessment grants, rural education, Indian Student Education, Language Acquisition Grants, IDEA Grants to States, IDEA Preschool grants, Career and Technical Education State grants, and Adult Basic and Literacy Education State grants.

If the sequester cap is repealed, it is likely Title I and IDEA, among other programs, would receive modest increases. Members of Congress from both parties have expressed concerns with the increases in competitive grants compared to a freeze on these foundational programs.

Programs slated for increases above their pre-sequester levels include (all increases compared to the final FY 2013 funding levels):

• Investing in Innovation Fund (i3) = $215 million (+$73 million, +51.8%).

  Thirty percent of funds would support “the Advanced Research Projects Agency-Education (ARPA-ED), a new entity modeled after similar agencies in the Department of Defense and Department of Energy that would pursue breakthrough developments in educational technology and tools.”

  OUTLOOK: This large an increase seems unlikely. However, last year’s Senate bill included funding for ARPA-ED.

• The STEM Innovation Initiative = $415 million (+$273 million over Mathematics and Science Partnerships which would be replaced by this program).

  This initiative has four parts:

  o $150 million for the “proposed STEM Innovation Networks program which would provide competitive awards to LEAs in partnership with institutions of higher education, nonprofit organizations, other public agencies, and businesses to transform STEM teaching and learning by developing and validating evidenced-based practices in a set of ‘platform schools’ and implementing them across broader, regional networks of participating schools following validation of effectiveness.”
INTRODUCTION

- $80 million for the “STEM Teacher Pathways proposal which would lay the groundwork for producing 100,000 new effective and highly effective STEM teachers over the next 10 years, providing competitive grants to create or expand high-quality pathways to teacher certification and other innovative approaches for recruiting, training, and placing talented recent college graduates and mid-career professionals in the STEM fields in high-need schools.”
- $35 million to establish the first cohort of the STEM Master Teacher Corps, “which would identify, recognize, and reward some of the Nation’s most talented STEM teachers, enlisting them in a national network to assist in building local and regional communities of practice that would help transform STEM teaching and learning while raising the profile of the STEM teaching profession.”
- $150 million for the Effective Teaching and Learning: STEM program that would “build on the experience of the current Mathematics and Science Partnerships program, making awards to SEAs, alone or in partnership with other entities, to implement a comprehensive strategy for the provision of high-quality STEM instruction and support to students.”

OUTLOOK: STEM is very popular, so pieces of this might have a chance.

- School Turnaround Grants = $658.6 million (+$152.9 million, +30.2%).
  This proposal is a revised School Improvement Grants program. The proposed $125 million increase over FY 2012 for School Turnaround Grants would fund a new competitive grant program that would “strengthen formula grant implementation by building district-level capacity to support school turnaround efforts and to sustain improvements in schools that have used funds to successfully implement a school intervention model. Up to $25 million of these funds also could be used to expand the School Turnaround AmeriCorps, an initiative launched in partnership with the Corporation for National and Community Service in 2013 that uses AmeriCorps volunteers to help build local capacity to implement effective school turnarounds.”
  OUTLOOK: The proposed increase seems unlikely.

- High School Redesign = $300 million (new program).
  The proposed High School Redesign program “would promote the whole school transformation of the high school experience in order to provide students with challenging and relevant academic and career-related learning experiences that prepare them to transition to postsecondary education and careers.”
  “Funds would support competitive grants to LEAs in partnership with institutions of higher education and employers—including business and industry as well as non-profit and community-based organizations—for projects that (1) leverage existing Federal, State, and local resources to engage students in personalized learning opportunities tied to real world experience (such as career-based learning); (2) provide students with rigorous, challenging academic content aligned with college-level expectations, including programs that offer students access to college-level coursework and opportunities to gain postsecondary credit while still in high school; (3) help students learn not only academic content but also pertinent career-related competencies and employability and technical skills; and (4) offer meaningful college and career exploration opportunities and high-quality advisory services. The new program would give priority to partnerships in areas with limited access to quality career and college opportunities, such as high-poverty or rural LEAs.”
  OUTLOOK: Creating a new $300 million program seems unlikely.

- Teacher and Leader Innovation Fund = $400 million (+$116.2 million, +41%).
  This replacement to the existing Teacher Incentive Fund (TIF) would “make competitive awards to States and LEAs willing to implement bold approaches to improving the effectiveness of the education workforce in high-need schools and districts by creating the conditions needed to identify, reward, retain, and advance effective teachers, teacher leaders, principals, and school leadership teams in those schools, and enabling schools to build the strongest teams possible.”
  OUTLOOK: The Senate has been less favorable to TIF, so a $100 million increase seems unlikely.

- School Leadership = $98 million (+$69 million, +250%).
  OUTLOOK: Some increase may be possible if the sequester caps are lifted.

- Effective Teaching and Learning for a Well-Rounded Education = $75 million (+$51.3 million, +217% over the Arts in Education program which would be consolidated into this new program).
  “The Effective Teaching and Learning for a Well-Rounded Education program would support competitive grants to SEAs and high-need LEAs, alone or in partnership with other entities, to develop and expand innovative practices for improving teaching and learning in the arts, health education, foreign languages, civics and government, history, geography, environmental education, economics and financial literacy, and other subjects.”
  OUTLOOK: It is very unlikely this new program will be funded.
• College Pathways and Accelerated Learning = $102.2 million (+$27.3 million, +36.5% over combined funding for High School Graduation Initiative and Advanced Placement which would be consolidated into this new program).

“This program would focus on increasing graduation rates and preparation for college matriculation and success by supporting college-level and other accelerated courses and instruction, including gifted and talented programs, in high-poverty schools. Grantees would implement such strategies as expanding the availability of Advanced Placement and International Baccalaureate courses, dual-enrollment programs that allow students to take college-level courses and earn college credit while in high school, and ‘early college high schools’ that allow students to earn a high school degree and an Associate’s degree or 2 years of college credit simultaneously. The program would fund accelerated learning opportunities for students across the performance spectrum, including those who exceed proficiency standards, in high-poverty elementary schools. Grants also would support projects that re-engage out-of-school youth or students who are not on track to graduate.”

“The Department would be authorized to reserve funds to make grants to States to pay for the cost of advanced test fees for students from low-income families.”

OUTLOOK: It is very unlikely this new program would be funded. Continued funding for the two existing programs could be difficult, especially if the sequester caps are not lifted.

• Promise Neighborhoods= $300 million (+$243.3 million, +428.6%).

“In coordination with the Department of Housing and Urban Development (HUD), the Department would reserve a portion of 2014 funds for planning grants to communities that intend to apply for funding under both the Promise Neighborhoods and HUD’s Choice Neighborhoods programs. The request will also target a portion of funds to newly designated Promise Zones—communities with highly concentrated poverty in which Federal agencies will partner with local leaders to break down barriers and coordinate the resources and expertise they need to create jobs, leverage private investment, increase economic activity, reduce violence, and improve educational opportunities.”

OUTLOOK: An increase this large is unlikely, but Promise Neighborhoods may well receive a modest increase.

• Successful, Safe, and Healthy Students = $280 million (+$94.3 million, +50.1% over the total for the consolidated programs).

“Under this proposed consolidation of Safe and Drug-Free Schools and Communities National Activities, Elementary and Secondary School Counseling and Physical Education Program, the Department would award grants to increase the capacity of States, districts, and schools to create safe, healthy, and drug-free environments in a comprehensive manner, so that students are able to focus on learning and teachers on teaching. Further, it would provide increased flexibility for States and local educational agencies to design strategies that best reflect the needs of their students and communities, including programs to (1) improve school climate by reducing drug use, alcohol use, bullying, harassment, or violence; (2) improve students’ physical health and well-being through comprehensive services that improve student nutrition, physical activity, and fitness; and (3) improve student’s mental health and well-being through expanded access to comprehensive services, such as counseling, health, mental health, and social services.

“The new program would also include a national activities authority, under which the Department would reserve funds for several initiatives that are included in Now Is The Time, the President’s common-sense plan to make our schools safer and protect our children from gun violence. These initiatives include $30 million for grants to SEAs to help their LEAs develop, implement, and improve their emergency management plans; $50 million for School Climate Transformation Grants and related technical assistance to help schools train their teachers and other school staff to implement evidence-based behavioral intervention strategies to improve school climate; and $25 million for Project Prevent grants to LEAs to help schools in communities with pervasive violence break the cycle of violence. Funds requested under National Activities would also be used to help LEAs and IHEs recover from emergencies under Project SERV (School Emergency Response to Violence), and for data collection, dissemination, outreach, and related forms of technical assistance for other activities that promote safe and healthy students.”

OUTLOOK: The gun violence prevention bill considered by the Senate had a very modest school safety component, but it did not include any of these provisions. As an amendment to that bill, the Senate adopted the provisions of S. 689, the Mental Health Awareness and Improvement Act of 2013. S. 689 includes additional provisions that promote school-wide prevention through the development of positive behavioral supports and encourages school-based mental health partnerships. However, it does not provide any additional funding. Some additional funding for school safety might be possible if the sequester is repealed.
• 21st Century Community Learning Centers $1,251.7 million (+$160.2 million, +14.7%).
  “The proposal would permit States and eligible local entities to use funds to support expanded-learning-time programs as well as full-service community schools.”

OUTLOOK: This policy change may be included in a final appropriations bill.

• Expanding Educational Options = $294.8 million (+$53.3 million, +22.1%).
  This is the proposed replacement for the Supporting Effective Charter Schools grants program.

OUTLOOK: This new program is unlikely to be created. Charter school grants will continue to be funded.

• IDEA Grants for Infants and Families = $462.7 million (+$43.2 million, +10.3%).

Other policy changes:

• Effective Teachers and Leaders State Grants = frozen at FY 2012 level (Funding for Transition to Teaching and the higher education Teacher Quality Partnerships would be eliminated as they are proposed to be consolidated into this new program.).

  This is the proposed replacement to the current Improving Teacher Quality State Grants which “would provide formula grants to States and districts to support the Administration’s ESEA reauthorization proposal, which would require States to develop definitions of ‘effective’ and ‘highly effective’ teachers and principals that would be used in the development of State and local teacher and principal evaluation systems. States and LEAs would have flexibility in how they use formula grant funds, but would be accountable for improving their teacher and principal evaluation systems and for ensuring that low-income and minority students have equitable access to teachers and principals who are effective at raising student achievement. In addition, the Department would reserve up to 25 percent of the appropriation to recruit, train, and support effective teachers and school leaders; fund competitive grants to States and LEAs to improve educator evaluation and licensure systems and develop rigorous accountability systems for educator preparation programs; and to invest in other efforts to enhance the teaching and leadership professions.”

OUTLOOK: It is unlikely this new program will be created. However, Congress may expand an existing 1.5 percent set-aside from Teacher Quality State grants to perhaps 5 percent for the Supporting Effective Educator Development (SEED) Grant.

• Effective Teaching and Learning: Literacy = frozen at FY 2012 combined level of programs proposed for consolidation.

  This proposed program, which would consolidate Ready-To-Learn Television and Striving Readers, “would provide competitive grants to State educational agencies (SEAs), alone or in partnership with other entities, for comprehensive State and local efforts to improve literacy instruction, especially in high-need schools, for children and youth from preschool through grade 12. The program would build on the revised Striving Readers program, which replaced literacy programs segmented by age and grade level with a more comprehensive program that serves children from birth through 12th grade. The reauthorized program would strengthen education for literacy by (1) ensuring that all the elements of a comprehensive literacy program are embedded in State and local strategies; (2) strengthening performance expectations; (3) supporting the identification and scaling-up of innovative methods of teaching reading, writing, and language arts; and (4) giving States and school districts the flexibility to target resources based on identified needs.”

OUTLOOK: It is unlikely this new program will be created and funded. Striving Readers is likely to continue to receive funding.

CAREER, TECHNICAL AND ADULT EDUCATION

Both Career and Technical Education State Grants and Adult Basic and Literacy Education State Grants would be frozen at their FY 2012 pre-sequester levels.

Programs slated for increases include (all increases compared to the final FY 2013 funding levels):

• CTE National Programs = $17.8 million (+$10.4 million, +140.3%).
  “The request includes $10 million, along with up to $32 million that the Department is requesting under the GPRA Data/HEA Program Evaluation program in the Higher Education account, to create a $42 million fund to support and evaluate dual-enrollment programs that target local workforce needs.”
• Adult Education National Leadership Activities = $14.3 million (+$3.6 million, +33.5%).
  "The proposed $3.0 million increase would be used for new awards to support reentry education models, building on the fiscal year 2013 Promoting Reentry Success through Continuity of Educational Opportunities competition."

Other Policy Proposals:
• Career and Technical Education:
  State Grant “Funds for the CTE program would support the first year of activity under a reauthorized Carl D. Perkins Career and Technical Education Act. In April of 2012 the Administration released Investing in America’s Future: A Blueprint for Transforming Career and Technical Education, which outlined the Administration’s proposal for reauthorizing the Perkins Act in order to ensure that all CTE programs become viable and rigorous pathways to postsecondary and career success.”
  **OUTLOOK:** It is very unlikely that CTE will be reauthorized this year.

• Adult Basic and Literacy Education State Grants:
  “[The request for State Grants includes $74.7 million for the English Literacy/Civics Education set-aside to help States and communities provide adults learning English with expanded access to high-quality English literacy programs linked to civics education.”

**HIGHER EDUCATION**

The budget proposes to fund several new programs, revise the campus allocation formula for the campus-based student aid programs, and restructure student loan interest rates.
As with the K-12 side of the budget, many higher education programs are frozen at the FY 2012 pre-sequeseter levels. These include Supplemental Educational Opportunity Grants, aid for institutional development (including Strengthening HBCUs grants and aid for Hispanic-serving institutions), TRIO, GEAR UP, and the High School Equivalency (HEP) and College Assistance Migrant (CAMP) Programs.
Programs slated for increases include (all increases compared to the final FY 2013 funding levels):
• Work-Study = $1,126.7 (+$201 million, +21.7%)
  The 2014 request “would change the allocation formula for Work-Study to benefit institutions that keep net tuition down, serve low-income students effectively, and provide good value to students, in part by offering them more meaningful work-study opportunities that will help to prepare them for work and life after graduation.”
  **OUTLOOK:** Any proposed revision to the campus-based aid formula will not occur in the context of the FY 2014 appropriations bill but will be considered when Congress reauthorizes the Higher Education Act (HEA), perhaps in 2014 or 2015.

• Presidential Teaching Fellows = $190 million in mandatory funds (new program).
  “The 2014 request would replace the TEACH Grant program with the new Presidential Teaching Fellows program, which is specifically focused on ensuring that recipients enter, remain, and thrive in the field of teaching. The new program would provide formula grants to States to fund scholarships of up to $10,000 for students attending “high-performing” teacher preparation programs.”
  **OUTLOOK:** Unlikely. This is more of an HEA reauthorization issue.

• International Education and Foreign Language Studies = $80.9 million (+$10.8 million, +15.4%).

• Race to the Top = $1 billion (+$479.8 million, +92.2%).
  “The Department is requesting $1 billion for a new Race to the Top-College Affordability and Completion competition aimed at catalyzing State efforts to pursue systemic higher education reforms and promote innovations to improve college affordability, access, completion, and quality; achieve better student outcomes; and increase institutional capacity to graduate more students with high-quality credentials. The request would allow the Department make awards to up to 10 States that can demonstrate a commitment to reforms in areas such as (1) sustaining fiscal support for higher education while modernizing funding policies to constrain costs and improve outcomes, (2) removing barriers preventing the creation of innovative methods of student learning and new degree pathways, (3) empowering consumer choice through increased transparency, and (4) smoothing transitions into college and between institutions of higher education.”
OUTLOOK: There is virtually no chance Congress will fund a $1 billion Race to the Top (RTTT) program for higher education. Indeed, the fact that the Administration proposes to shift all the funds for RTTT from K-12 to higher education makes it more likely no funds will be provided in FY 2014 for any version of RTTT.

- First in the World (FITW) = $247.2 million (new program).
  “Up to $175 million of FITW funds would be used to support an evidence-based grant competition, which would apply the lessons of the successful Investing in Innovation (i3) program for K-12 to the challenge of improving college attainment and productivity. First in the World would provide ‘venture capital’ to encourage innovative approaches to improving college completion, research support to build the evidence of effectiveness needed to identify successful strategies, and resources to scale up and disseminate proven strategies. The competition would include a priority for projects designed to improve college access and selection for high-need secondary school students. In addition, up to $75 million, to be available until expended, would be used to support (1) projects to develop third-party validation systems that identify competencies, assessments, and curricula for specific fields, and (2) Pay for Success awards to providers of free 2-year degrees, especially in fields supported by validation systems. These initiatives build alternative pathways for programs that are non-accredited, and therefore do not qualify for Federal grants and student loans, to receive Federal support if they can demonstrate positive student outcomes.”
  OUTLOOK: Last year the Senate included $49 million in its bill to start FITW. Therefore, if the sequester is repealed, it may well receive a small amount of initial funding.

- GPRA Data/HEA Program Evaluation = $67.6 million (+$67 million, +11,657.7%).
  “The request includes $32 million to support a demonstration and evaluation of dual enrollment programs, to be co-funded with $10 million from Career and Technical Education National Programs. Funds would be used to establish or expand dual enrollment programs aligned with career pathways and local workforce needs that offer high school and adult students the opportunity to earn college credits while enrolled in a high school or GED program. In addition, funds would support an on-going evaluation of the Pell grant expansions under the Experimental SitesStudy, and a number of other studies of strategies for providing student aid in ways that improve postsecondary access and outcomes.”
  OUTLOOK: Too soon to tell. An increase will be difficult unless sequester caps are repealed.

Other Policy Proposals:
- Pell Grants: “The 2014 request of $29.9 billion for Pell Grants would continue to make college more affordable for 9.4 million students by increasing the maximum Pell award by $140, from $5,645 in award year 2013-2014 to $5,785 in award year 2014-15, while also fully funding the program through award year 2015-2016.”
  In the long-term when Pell faces ongoing funding shortfalls, the budget proposes “reforming and expanding the Perkins Loan program and reducing the costs associated with providing defaulted loan borrowers opportunities to repair their credit standing. The savings associated with these proposals would help offset the growing costs of the Pell Grant program in future years while still ensuring that aid is available to the neediest college students.”
  OUTLOOK: The Pell grant program now has a surplus instead of the shortfalls of the past several years. The maximum award will automatically increase unless Congress takes steps to block it. If the sequester caps remain in place, Congress may be tempted to use some of the FY 2014 Pell surplus to restore cuts to other programs, but doing so would make the FY 2015 shortfall greater.

- Supplemental Educational Opportunity Grants: “The request would reform the institutional allocation formula to direct funding toward institutions that keep net tuition down, provide good value, and serve low-income students effectively.”
  OUTLOOK: As noted above, this proposed change to the formula won’t happen this year.

- Perkins Loans: “The Administration is proposing to create an expanded, modernized Perkins Loan program as part of its overall effort to improve and strengthen the campus-based programs. The proposal would provide $8.5 billion in new loan volume annually—eight and a half times the current annual Perkins volume—and reach students at up to 2,700 additional postsecondary education institutions. These reforms would also address the scheduled expiration of the program. Under the Administration’s proposal, Unsubsidized Perkins Loans would carry the same annually-determined fixed interest rate as that proposed for Unsubsidized Stafford Loans. Loan limits for both undergraduate and graduate students would remain the same as in the current Perkins program.”
  OUTLOOK: This seems unlikely and is more likely to be addressed in the Higher Education Act reauthorization.
• Student loans:

“The 2014 request proposes to change the interest rate structure for new student and parent loans to market-based rates that better reflect current economic conditions. This proposal maintains the current policy of providing a lower rate on Subsidized Stafford loans, which are awarded on the basis of financial need, than on other Federal student and parent loans. These market-based rates for newly originated loans also would maintain the current policy of providing a lower rate on loans based on the financial need of students and families, with somewhat higher rates for student and parent loans made regardless of need. These rates would be determined annually and fixed for the life of the loan. Under the proposal, new rates would be equal to the 10-year Treasury note rate with add-ons of 0.93 percentage points for subsidized Stafford loans, 2.93 percentage points for Unsubsidized Stafford loans, and 3.93 percentage points for PLUS loans. The proposal does not include a cap on interest rates, and the existing cap of 8.25 percent on new consolidation loans would be eliminated.

“The Administration also proposes to expand eligibility for the Pay As You Earn plan to all borrowers. The benefits of this program are currently only available to borrowers who had no outstanding loans as of October 1, 2007, and had received a Direct Loan disbursement on or after October 1, 2011. The Budget proposes to expand this to all borrowers beginning July 1, 2014, regardless of when their loans were originated. All Stafford, Grad PLUS, and Consolidation loans that repaid Stafford and Grad PLUS loans made under the Direct Loan or FFEL programs, and that are not in default, are eligible for this program. Borrowers who take part in the Pay As You Earn plan would be eligible to have their student loan payments capped at 10 percent of their prior-year discretionary income, and to have any remaining balances forgiven after 20 years of repayments.”

OUTLOOK: Something will happen on student loan interest rates by the July 1 deadline. Now that the Administration has abandoned its previous support for maintaining the interest rate on subsidized loans at 3.4 percent and instead supports a market rate, its position is closer to proposals offered by Republicans. However, some Democrats are unhappy about the lack of a maximum rate cap.

RESEARCH/STATISTICS

Programs slated for increases include (all increases compared to the final FY 2013 funding levels):

• Research, Development, and Dissemination = $202.3 (+$22.4 million, +12.5%).

“The request also includes funds to support a new program, Partnerships and Collaborations Focused on Problems of Practice or Policy, which would support research focused on understanding strategies intended to support continuous improvement at the level of education systems.”

• Statistics = $122.7 (+$19.7 million, +19.1%).
• Research in Special Education = $59.9 million (+$12.6 million, +26.7%).
• Statewide Data Systems = $85.0 (+$48.9 million, +135.5%).

The proposed increase “includes $36 million for new grants emphasizing early childhood data linkages and better use of data in analysis and policymaking and $10 million for postsecondary data initiatives designed to improve information on students as they progress from high school to postsecondary education and the workforce.”

OUTLOOK: Some of these increases might occur but only if the sequester is replaced.
### Education Programs and Earmarks Terminated Fiscal Years 2011 and 2012 Appropriations
*(in millions)*

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Amount</th>
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<tr>
<td>1.</td>
<td>Teaching American History</td>
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<td>2.</td>
<td>Fund for the Improvement of Postsecondary Education (earmarks)</td>
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<td>3.</td>
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**TOTAL** | **$1,229.88**
STOP THE LARGEST EDUCATION FUNDING CUTS EVER!!

- Because Congress failed to repeal or replace the sequester, on March 1, 2013, all federally-funded education programs (other than Pell grants which are exempt from the first year cut) were subject to a 5 percent automatic across-the-board cut as part of an overall FY 2013 $85 billion sequestration spending cut.

- The last Congress enacted almost $2.6 trillion in deficit reduction. Not counting interest savings, $1.44 trillion was from spending cuts — virtually all from discretionary spending — while only about $660 billion was from increased revenue. Thus, almost 70 percent of deficit reduction has been from spending cuts. If the sequester is not replaced, total spending cuts will increase to $2.4 trillion and the share of deficit reduction from spending cuts will increase to more than 78 percent.

- It is critical that Congress replace the sequester with a balanced approach, including revenues and mandatory spending cuts, that protect education and other nondefense discretionary (NDD) programs from further spending cuts.

- These sequestration cuts chopped funding for programs in the Department of Education by $2.5 billion. In addition, Head Start was slated for a $401 million cut. These are the largest cuts EVER to education programs. Sequestration has moved us backward by slashing Department of Education non-Pell grant discretionary funding below the FY 2004 level.

- In addition, the final FY 2013 Continuing Resolution added an additional 0.2 percent across-the-board cut to all education and other NDD programs, cutting another $136 million.

- Additional cuts to education programs, including Pell grants, will likely occur in FY 2014 through FY 2021 due to even lower “caps” on discretionary-funded programs, which include virtually all education programs (other than student loans) and Head Start.

- Institutions of higher education have also been hit hard by cuts to vital research programs, including NIH (-$1.55 billion) and NSF (-$361 million).

- Critical programs – including Title I aid to high-poverty schools, IDEA funds for students with disabilities, Impact Aid, teacher quality grants, after-school grants, charter and magnet school aid, English Language Acquisition grants, career, technical and adult education, campus-based student aid, aid to minority-serving institutions, and TRIO and GEAR UP – have all been slashed.

Some examples:

- Head Start was cut by $401 million which will cut services to 70,000 low-income children.

- Title I was cut $727 million, threatening instructional support to almost 1.2 million educationally disadvantaged children and causing the possible elimination of over 10,000 educator jobs.

- IDEA K-12 funding for special education was cut by $580 million which will adversely affect over 350,000 students with disabilities and cause the possible elimination of another 7,000 educator jobs.

- Funding for Teacher Quality grants was cut by $124 million.

- While Pell grants are exempt from sequestration in FY 2013, other student financial aid programs such as Supplemental Educational Opportunity Grants and Work-Study were cut by $86 million, which may cut off more than 33,000 students from campus jobs and deny grants to almost 71,000 needy students.
TRIO, GEAR UP and other higher education programs were cut by a combined $129 million.

Career and Technical and Adult Education were cut by $87 million, undermining services to 624,000 high school and community college students and 128,000 adult learners.

- U.S. Secretary of Education Arne Duncan said that the sequester, “just means a lot more children will not get the kinds of services they need, and as many as 40,000 teachers could lose their jobs.” He also said, “The long-term impact of sequestration could be even more damaging. By reducing education funding now and in the coming years, it would jeopardize our Nation’s ability to develop and support an educated, skilled workforce that can compete in the global economy.”

- These cuts will be on top of education cuts adopted by Congress in 2011. Funding for education programs (exclusive of changes to Pell grants) was cut in the aggregate by $1.25 billion (-2.7 percent) in FY 2011, which generally provided support to schools and colleges for the 2011-12 school year.

- The FY 2012 omnibus appropriations bill cut aggregate funding for the Department of Education by an additional $233 million. Between FY 2010 and FY 2012 more than 50 education programs totaling $1.2 billion have had funding completely eliminated.

- These cuts have already been particularly disruptive to school districts receiving Impact Aid and to Head Start centers because cuts to those programs took effect in March 2013 – the middle of the 2012-13 school year.

- State/local governments and school districts have very limited capacity to soften the cuts of sequestration. According to a survey conducted by the American Association of School Administrators (Cut Deep: How the Sequester Will Impact Our Nation’s Schools), “Nine of ten (90 percent) school administrators replied that their state would be unable to absorb or offset the cuts of sequestration, equal to the 89.5 percent indicating that their district would be unable to absorb the cuts.”

- Based on Bureau of Labor Statistics data, 358,000 public school educator jobs have been eliminated since the start of the recession.

- Cuts of this magnitude will be harmful to jobs and the economy. A person with a Bachelor’s degree has lifetime earnings more than twice as great as a high school dropout. This benefits not only those individuals and their families, but our society and government through payment of higher taxes and less reliance on social services.

- According to The Economic Impact of the Budget Control Act of 2011 on DOD and Non-DOD Agencies issued by the Aerospace Industries Association, 2.14 million American jobs could be lost if sequestration cuts takes effect. “The unemployment rate will climb above 9 percent, pushing the economy toward recession and reducing projected growth in 2013 by two-thirds. An already weak economy will be undercut as the paychecks of thousands of workers across the economy will be affected from teachers, nurses, construction workers to key federal employees such as border patrol and FBI agents, food inspectors and others.”

- CEF joined with 3,200 national, State and local organizations in the nondefense discretionary (NDD) community to urge Congress and the president to avert sequestration by adopting a “balanced approach to deficit reduction that does not include further cuts to discretionary programs.” See: NDD United Letter: 3,200 Organizations Say No More Cuts to Discretionary Programs, Balanced Approach Needed (Feb. 11, 2013).

- Under the funding caps established in the bipartisan Budget Control Act, even without the sequester cuts by 2021 NDD programs will decline to just 2.5 percent of GDP, the lowest level in at least 50 years.

- The American public is strongly opposed to cutting federal support for education:

  - A February 2013 national survey by the Pew Research Center for the People & the Press finds that cuts in federal education spending are particularly unpopular. Only 10 percent of the public supports decreasing funding for education programs, while 60 percent want to increase spending. Increasing funding for education had more support from the American people than increasing funding for 18 other areas of the federal budget including defense, Medicare, health programs, Social Security and veterans’ benefits.

  - A Bloomberg News poll released in February 2013 found 67 percent of the public believes education funding should not be cut at all. Once again, education funding had the highest support from the public compared to other areas of the budget.

  - A CEF-FEI December 2012 poll also found that two-thirds of the public supported protecting education from the sequester cuts.

For more information contact Joel Packer, Executive Director, jpacker@cef.org
## Fiscal Year 2014 Discretionary Funding for Selected Department of Education and Related Programs

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<tr>
<th>PROGRAM</th>
<th>FY 12 P.L. 112-77</th>
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<th>FY 13 FINAL v. FY 12</th>
<th>PRESIDENT FY 14</th>
<th>PRESIDENT v. FY 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title I Grants to LEAs</td>
<td>14,516,457</td>
<td>13,760,219</td>
<td>-756,238</td>
<td>14,516,457</td>
<td>+756,238 (+5.5%)</td>
</tr>
<tr>
<td>Title I Evaluation</td>
<td>3,194</td>
<td>3,028</td>
<td>-166</td>
<td>0</td>
<td>-3,028 (-100.0%)</td>
</tr>
<tr>
<td>School improvement State grants</td>
<td>533,552</td>
<td>505,756</td>
<td>-27,796^3</td>
<td>658,552</td>
<td>+152,796 (+30.2%)</td>
</tr>
<tr>
<td>Migrant</td>
<td>393,236</td>
<td>372,751</td>
<td>-20,485</td>
<td>393,236</td>
<td>+20,485 (+5.5%)</td>
</tr>
<tr>
<td>Neglected and delinquent</td>
<td>50,231</td>
<td>47,614</td>
<td>-2,617</td>
<td>50,231</td>
<td>+2,617 (+5.5%)</td>
</tr>
<tr>
<td>Education for homeless children and youth</td>
<td>65,173</td>
<td>61,771</td>
<td>-3,402</td>
<td>65,173</td>
<td>+3,402 (+5.5%)</td>
</tr>
<tr>
<td>Preschool development grants (proposed program)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>750,000^4</td>
<td>+750,000 (NA)</td>
</tr>
<tr>
<td>Impact Aid total</td>
<td>1,291,186</td>
<td>1,223,649</td>
<td>-67,537</td>
<td>1,224,239</td>
<td>+590 (+0.0%)</td>
</tr>
<tr>
<td>Effective Teaching and Learning: Literacy (proposed program)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>186,892^2</td>
<td>+186,892 (NA)</td>
</tr>
<tr>
<td>Striving readers</td>
<td>159,698</td>
<td>151,378</td>
<td>-8,320</td>
<td>0</td>
<td>-151,378 (-100.0%)</td>
</tr>
<tr>
<td>Ready-to-Learn television</td>
<td>27,194</td>
<td>25,771</td>
<td>-1,423</td>
<td>0</td>
<td>-25,771 (-100.0%)</td>
</tr>
<tr>
<td>Effective Teaching and Learning: Well-Rounded Education (proposed program)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>75,000^5</td>
<td>+75,000 (NA)</td>
</tr>
<tr>
<td>Arts in Education</td>
<td>24,953</td>
<td>23,648</td>
<td>-1,305</td>
<td>0</td>
<td>-23,648 (-100.0%)</td>
</tr>
<tr>
<td>College Pathways/Accelerated Learning (proposed program)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>102,200^7</td>
<td>+102,200 (NA)</td>
</tr>
<tr>
<td>High school graduation initiative</td>
<td>48,809</td>
<td>46,267</td>
<td>-2,542</td>
<td>0</td>
<td>-46,267 (-100.0%)</td>
</tr>
<tr>
<td>Advanced placement</td>
<td>30,055</td>
<td>28,483</td>
<td>-1,572</td>
<td>0</td>
<td>-28,483 (-100.0%)</td>
</tr>
<tr>
<td>State assessments</td>
<td>389,214</td>
<td>368,900</td>
<td>-20,314</td>
<td>389,214</td>
<td>+20,314 (+5.5%)</td>
</tr>
<tr>
<td>Rural education</td>
<td>179,193</td>
<td>169,840</td>
<td>-9,353</td>
<td>179,193</td>
<td>+9,353 (+5.5%)</td>
</tr>
<tr>
<td>Comprehensive Centers</td>
<td>51,113</td>
<td>48,445</td>
<td>-2,668</td>
<td>51,113</td>
<td>+2,668 (+5.5%)</td>
</tr>
<tr>
<td>Education for Native Hawaiians</td>
<td>34,181</td>
<td>32,397</td>
<td>-1,784</td>
<td>34,181</td>
<td>+1,784 (+5.5%)</td>
</tr>
<tr>
<td>Alaska Native Education Equity</td>
<td>33,185</td>
<td>31,453</td>
<td>-1,732</td>
<td>33,185</td>
<td>+1,732 (+5.5%)</td>
</tr>
<tr>
<td>Promise Neighborhoods</td>
<td>59,887</td>
<td>56,754</td>
<td>-3,133</td>
<td>300,000</td>
<td>+243,246 (+428.6%)</td>
</tr>
<tr>
<td>Successful, Safe and Healthy Students (proposed program)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>280,000^6</td>
<td>+280,000 (NA)</td>
</tr>
<tr>
<td>Safe and drug-free schools and communities national programs</td>
<td>64,877</td>
<td>61,484^4</td>
<td>-3,393</td>
<td>0</td>
<td>-61,484 (-100.0%)</td>
</tr>
<tr>
<td>Elementary and secondary school counseling</td>
<td>52,296</td>
<td>49,561</td>
<td>-2,735</td>
<td>0</td>
<td>-49,561 (-100.0%)</td>
</tr>
<tr>
<td>Carol M. White Physical Education Program</td>
<td>78,693</td>
<td>74,577</td>
<td>-4,116</td>
<td>0</td>
<td>-74,577 (-100.0%)</td>
</tr>
<tr>
<td>21st century community learning centers</td>
<td>1,151,673</td>
<td>1,091,564</td>
<td>-60,109</td>
<td>1,251,673</td>
<td>+160,109 (+14.7%)</td>
</tr>
<tr>
<td>Indian Education total</td>
<td>130,779</td>
<td>123,93</td>
<td>-6,840</td>
<td>130,779</td>
<td>+6,840 (+5.5%)</td>
</tr>
<tr>
<td>Race to the Top</td>
<td>548,960</td>
<td>520,247</td>
<td>-28,713</td>
<td>1,000,000^10</td>
<td>+479,753 (+92.2%)</td>
</tr>
</tbody>
</table>

Notes:
1. V. FY 12
2. PRESIDENT
3. V. FY 13
4. In thousands of dollars
5. Impact Aid total
6. Effective Teaching and Learning: Well-Rounded Education (proposed program)
7. Arts in Education
8. College Pathways/Accelerated Learning (proposed program)
9. High school graduation initiative
10. Advanced placement
11. State assessments
12. Rural education
13. Comprehensive Centers
14. Education for Native Hawaiians
15. Alaska Native Education Equity
16. Promise Neighborhoods
17. Successful, Safe and Healthy Students (proposed program)
18. Safe and drug-free schools and communities national programs
19. Elementary and secondary school counseling
20. Carol M. White Physical Education Program
21. 21st century community learning centers
22. Indian Education total
23. Race to the Top
# Fiscal Year 2014 Discretionary Funding for Selected Department of Education and Related Programs

<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>FY 12 P.L. 112-77</th>
<th>FY 13 FINAL P.L. 113-6</th>
<th>FY 13 FINAL v. FY 12</th>
<th>PRESIDENT FY 14</th>
<th>PRESIDENT v. FY 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investing in Innovation</td>
<td>149,417</td>
<td>141,602</td>
<td>-7,815</td>
<td>215,000&lt;sup&gt;11&lt;/sup&gt;</td>
<td>+73,398 (+51.8%)</td>
</tr>
<tr>
<td>STEM innovation (proposed program)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>414,716&lt;sup&gt;12&lt;/sup&gt;</td>
<td>+414,716 (NA)</td>
</tr>
<tr>
<td>Mathematics and science partnerships</td>
<td>149,716</td>
<td>141,902</td>
<td>-7,814</td>
<td>0</td>
<td>-141,902 (-100.0%)</td>
</tr>
<tr>
<td>High school redesign (proposed program)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>300,000&lt;sup&gt;11&lt;/sup&gt;</td>
<td>+300,000 (NA)</td>
</tr>
<tr>
<td>Effective Teachers and Leaders State Grants (proposed program)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>2,466,567&lt;sup&gt;14&lt;/sup&gt;</td>
<td>+2,466,567 (NA)</td>
</tr>
<tr>
<td>Teacher quality State grants</td>
<td>2,466,567&lt;sup&gt;11&lt;/sup&gt;</td>
<td>2,337,567</td>
<td>-128,737</td>
<td>0</td>
<td>-2,337,567 (-100.0%)</td>
</tr>
<tr>
<td>Transition to teaching</td>
<td>26,054</td>
<td>24,691</td>
<td>-1,363</td>
<td>0</td>
<td>-24,691 (-100.0%)</td>
</tr>
<tr>
<td>Teacher quality partnership (HEA)</td>
<td>42,833</td>
<td>40,592</td>
<td>-2,241</td>
<td>0</td>
<td>-40,592 (-100.0%)</td>
</tr>
<tr>
<td>School leadership</td>
<td>29,107</td>
<td>27,584</td>
<td>-1,523</td>
<td>97,994</td>
<td>+70,410 (+255.3%)</td>
</tr>
<tr>
<td>Teacher and Leader Innovation Fund (proposed program)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>400,000&lt;sup&gt;16&lt;/sup&gt;</td>
<td>+400,000 (NA)</td>
</tr>
<tr>
<td>Teacher incentive fund grants</td>
<td>299,433</td>
<td>283,771</td>
<td>-15,662</td>
<td>0</td>
<td>-283,771 (-100.0%)</td>
</tr>
<tr>
<td>Expanding Educational Options (proposed program)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>294,836&lt;sup&gt;11&lt;/sup&gt;</td>
<td>+294,836 (NA)</td>
</tr>
<tr>
<td>Charter schools grants</td>
<td>254,836</td>
<td>241,507</td>
<td>-13,329</td>
<td>0</td>
<td>-241,507 (-100.0%)</td>
</tr>
<tr>
<td>Magnet schools assistance</td>
<td>96,705</td>
<td>91,647</td>
<td>-5,058</td>
<td>99,611</td>
<td>+7,964 (+8.7%)</td>
</tr>
<tr>
<td>Fund for the Improvement in Education total includes:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Literacy initiative – non-add</td>
<td>28,600</td>
<td>27,104</td>
<td>-1,439</td>
<td>0&lt;sup&gt;19&lt;/sup&gt;</td>
<td>-27,104 (-100.0%)</td>
</tr>
<tr>
<td>English Language Acquisition</td>
<td>732,144</td>
<td>693,848</td>
<td>-38,296</td>
<td>732,144</td>
<td>+38,296 (+5.5%)</td>
</tr>
<tr>
<td>IDEA State grants</td>
<td>11,577,855</td>
<td>10,974,866&lt;sup&gt;20&lt;/sup&gt;</td>
<td>-602,989</td>
<td>11,577,855</td>
<td>+602,989 (+5.5%)</td>
</tr>
<tr>
<td>IDEA Preschool grants</td>
<td>372,646</td>
<td>353,238</td>
<td>-19,408</td>
<td>372,646</td>
<td>+19,408 (+5.5%)</td>
</tr>
<tr>
<td>IDEA Grants for infants and families</td>
<td>442,710</td>
<td>419,653</td>
<td>-23,057</td>
<td>462,710</td>
<td>+43,057 (+10.3%)</td>
</tr>
<tr>
<td>IDEA State personnel development</td>
<td>43,917</td>
<td>41,630</td>
<td>-2,287</td>
<td>45,011</td>
<td>+3,381 (+8.1%)</td>
</tr>
<tr>
<td>IDEA Technical assistance and dissemination</td>
<td>46,781</td>
<td>44,345</td>
<td>-2,436</td>
<td>46,781</td>
<td>+2,437 (+5.5%)</td>
</tr>
<tr>
<td>IDEA Personnel preparation</td>
<td>88,299</td>
<td>83,700</td>
<td>-4,599</td>
<td>85,799</td>
<td>+2,099 (+2.5%)</td>
</tr>
<tr>
<td>IDEA Parent information centers</td>
<td>28,917</td>
<td>27,404</td>
<td>-1,513</td>
<td>28,917</td>
<td>+1,513 (+5.5%)</td>
</tr>
<tr>
<td>IDEA Technology and media services</td>
<td>29,588</td>
<td>28,047</td>
<td>-1,541</td>
<td>29,588</td>
<td>+1,541 (+5.5%)</td>
</tr>
<tr>
<td>Special Olympics education programs</td>
<td>8,000</td>
<td>7,583</td>
<td>-417</td>
<td>8,000</td>
<td>+417 (+5.5%)</td>
</tr>
<tr>
<td>PROMISE: Promoting Readiness of Minors in SSI</td>
<td>1,996</td>
<td>1,892</td>
<td>-104</td>
<td>0</td>
<td>-1,892 (-100.0%)</td>
</tr>
<tr>
<td>Career and technical education State grants</td>
<td>1,123,030</td>
<td>1,064,446</td>
<td>-58,584</td>
<td>1,123,030&lt;sup&gt;21&lt;/sup&gt;</td>
<td>+58,584 (+5.5%)</td>
</tr>
<tr>
<td>CTE National programs</td>
<td>7,829</td>
<td>7,421</td>
<td>-408</td>
<td>17,829&lt;sup&gt;23&lt;/sup&gt;</td>
<td>+10,408 (+140.3%)</td>
</tr>
<tr>
<td>Adult basic and literacy education State grants</td>
<td>594,993</td>
<td>563,955</td>
<td>-31,038</td>
<td>594,993</td>
<td>+31,038 (+5.5%)</td>
</tr>
</tbody>
</table>
### Fiscal Year 2014 Discretionary Funding for Selected Department of Education and Related Programs

<table>
<thead>
<tr>
<th>PROGRAM</th>
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<th>FY 13 FINAL v. FY 12</th>
<th>PRESIDENT FY 14</th>
<th>PRESIDENT v. FY 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult Education National leadership</td>
<td>11,302</td>
<td>10,712</td>
<td>-590</td>
<td>14,302</td>
<td>+3,590 (+33.5%)</td>
</tr>
<tr>
<td>Pell grants discretionary</td>
<td>22,824,000</td>
<td>22,778,352</td>
<td>-45,648</td>
<td>22,824,000</td>
<td>+45,648 (+0.2%)</td>
</tr>
<tr>
<td>Pell grant maximum award (in whole dollars)</td>
<td>5,550</td>
<td>5,645</td>
<td>+95</td>
<td>5,785</td>
<td>+140 (+2.5%)</td>
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<tr>
<td>Supplemental educational opportunity grants</td>
<td>734,599</td>
<td>696,175</td>
<td>-38,424</td>
<td>734,599</td>
<td>+38,424 (+5.5%)</td>
</tr>
<tr>
<td>Work-study</td>
<td>976,682</td>
<td>925,595</td>
<td>-51,087</td>
<td>1,126,682</td>
<td>+201,087 (21.7%)</td>
</tr>
<tr>
<td>Student Aid Administration</td>
<td>1,043,387</td>
<td>988,812</td>
<td>-54,575</td>
<td>1,050,091</td>
<td>+61,279 (+6.2%)</td>
</tr>
<tr>
<td>Strengthening institutions</td>
<td>80,623</td>
<td>76,406</td>
<td>-4,217</td>
<td>80,623</td>
<td>+4,217 (+5.5%)</td>
</tr>
<tr>
<td>Strengthening tribally controlled colleges and universities</td>
<td>25,713</td>
<td>24,368</td>
<td>-1,345</td>
<td>25,713</td>
<td>+1,345 (+5.5%)</td>
</tr>
<tr>
<td>Strengthening Alaska Native and Native Hawaiian-serving institutions</td>
<td>12,859</td>
<td>12,186</td>
<td>-673</td>
<td>12,859</td>
<td>+673 (+5.5%)</td>
</tr>
<tr>
<td>Strengthening HBCUs</td>
<td>227,980</td>
<td>216,056</td>
<td>-11,924</td>
<td>227,980</td>
<td>+11,924 (+5.5%)</td>
</tr>
<tr>
<td>Strengthening historically Black graduate institutions</td>
<td>58,958</td>
<td>55,874</td>
<td>-3,084</td>
<td>58,958</td>
<td>+3,084 (5.5%)</td>
</tr>
<tr>
<td>Strengthening predominately Black institutions</td>
<td>9,262</td>
<td>8,778</td>
<td>-484</td>
<td>9,262</td>
<td>+484 (+5.5%)</td>
</tr>
<tr>
<td>Strengthening Asian American and Native American Pacific Islander-serving institutions</td>
<td>3,119</td>
<td>2,956</td>
<td>-163</td>
<td>3,119</td>
<td>+163 (+5.5%)</td>
</tr>
<tr>
<td>Strengthening Native American-serving nontribal institutions</td>
<td>3,119</td>
<td>2,956</td>
<td>-163</td>
<td>3,119</td>
<td>+163 (+5.5%)</td>
</tr>
<tr>
<td>Minority science and engineering improvement</td>
<td>9,466</td>
<td>8,971</td>
<td>-495</td>
<td>9,466</td>
<td>+495 (+5.5%)</td>
</tr>
<tr>
<td>Developing Hispanic-serving institutions</td>
<td>100,432</td>
<td>95,179</td>
<td>-5,253</td>
<td>100,432</td>
<td>+5,253 (+5.5%)</td>
</tr>
<tr>
<td>Promoting post baccalaureate opportunities for Hispanic Americans</td>
<td>9,011</td>
<td>8,540</td>
<td>-471</td>
<td>9,011</td>
<td>+471 (+5.5%)</td>
</tr>
<tr>
<td>International education and foreign language studies total</td>
<td>74,037</td>
<td>70,164</td>
<td>-3,873</td>
<td>80,938</td>
<td>+10,774 (+15.4%)</td>
</tr>
<tr>
<td>Fund for the improvement of postsecondary education (FIPSE)</td>
<td>3,494</td>
<td>3,311</td>
<td>-183</td>
<td>260,000</td>
<td>+256,689 (+7,752.6%)</td>
</tr>
<tr>
<td>• First in the World (proposed program) - non-add</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>247,200</td>
<td>+247,200 (NA)</td>
</tr>
<tr>
<td>Programs for students with intellectual disabilities</td>
<td>10,957</td>
<td>10,384</td>
<td>-573</td>
<td>0</td>
<td>-10,384 (-100.0%)</td>
</tr>
<tr>
<td>Tribally controlled postsecondary career and technical institutions</td>
<td>8,131</td>
<td>7,705</td>
<td>-426</td>
<td>8,131</td>
<td>+426 (+5.5%)</td>
</tr>
<tr>
<td>High School Equivalency Program/College Assistant Migrant Program</td>
<td>36,526</td>
<td>34,623</td>
<td>-1,903</td>
<td>36,526</td>
<td>+1,903 (+5.5%)</td>
</tr>
<tr>
<td>Federal TRIO programs</td>
<td>839,932</td>
<td>795,998</td>
<td>-43,934</td>
<td>839,932</td>
<td>+43,934 (+5.5%)</td>
</tr>
</tbody>
</table>
### Fiscal Year 2014 Discretionary Funding for Selected Department of Education and Related Programs

<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>FY 12 P.L. 112-77</th>
<th>FY 13 FINAL P.L. 113-6¹</th>
<th>FY 13 FINAL v. FY 12</th>
<th>PRESIDENT FY 14²</th>
<th>PRESIDENT v. FY 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gaining early awareness and readiness for undergraduate programs (GEAR UP)</td>
<td>302,244</td>
<td>286,435</td>
<td>-15,809</td>
<td>302,244</td>
<td>+15,809 (+5.5%)</td>
</tr>
<tr>
<td>Graduate assistance in areas of national need</td>
<td>30,909</td>
<td>29,293²</td>
<td>-1,616</td>
<td>30,909²</td>
<td>+1,616 (+5.5%)</td>
</tr>
<tr>
<td>Child care access means parents in school</td>
<td>15,970</td>
<td>15,134</td>
<td>-836</td>
<td>15,970</td>
<td>+836 (+5.5%)</td>
</tr>
<tr>
<td>HEA program evaluation</td>
<td>607</td>
<td>575</td>
<td>-32</td>
<td>67,607²</td>
<td>+67,032 (+11,657.7%)</td>
</tr>
<tr>
<td>Research, development, and dissemination</td>
<td>189,787</td>
<td>179,860</td>
<td>-9,927</td>
<td>202,273³</td>
<td>+22,413 (+12.5%)</td>
</tr>
<tr>
<td>Statistics</td>
<td>108,748</td>
<td>103,060</td>
<td>-5,688</td>
<td>122,748</td>
<td>+19,688 (+19.1%)</td>
</tr>
<tr>
<td>Regional educational laboratories</td>
<td>57,426</td>
<td>54,423</td>
<td>-3,003</td>
<td>57,426</td>
<td>+3,003 (+5.5%)</td>
</tr>
<tr>
<td>National assessment (NAEP)</td>
<td>129,616</td>
<td>122,836</td>
<td>-6,780</td>
<td>124,616</td>
<td>+1,780 (+1.4%)</td>
</tr>
<tr>
<td>National Assessment Governing Board</td>
<td>8,690</td>
<td>8,235</td>
<td>-455</td>
<td>7,690</td>
<td>-545 (-6.6%)</td>
</tr>
<tr>
<td>Research in special education</td>
<td>49,905</td>
<td>47,295</td>
<td>-2,610</td>
<td>59,905</td>
<td>+12,610 (+26.7%)</td>
</tr>
<tr>
<td>Statewide data systems</td>
<td>38,077</td>
<td>36,085</td>
<td>-1,992</td>
<td>85,000³</td>
<td>+48,915 (+135.6%)</td>
</tr>
<tr>
<td>Special education studies and evaluations</td>
<td>11,415</td>
<td>10,818</td>
<td>-597</td>
<td>11,415</td>
<td>+597 (5.5%)</td>
</tr>
<tr>
<td>Department of Education Discretionary Appropriations total (excluding Pell Grants)</td>
<td>45,288,289</td>
<td>42,926,354</td>
<td>-2,361,935³</td>
<td>48,385,062</td>
<td>+5,458,708 (+12.7%)</td>
</tr>
<tr>
<td>Department of Education Discretionary Appropriations total</td>
<td>68,112,289</td>
<td>65,704,706</td>
<td>-2,407,583³</td>
<td>71,209,062</td>
<td>+5,504,356 (+8.4%)</td>
</tr>
<tr>
<td>Head Start (in HHS)</td>
<td>7,968,544</td>
<td>7,585,173</td>
<td>-383,371</td>
<td>8,190,694</td>
<td>+605,521 (+8.0%)</td>
</tr>
<tr>
<td>Early Head Start - Child Care Partnerships</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>1,430,376</td>
<td>+1,430,376 (NA)</td>
</tr>
<tr>
<td>Child Care and Development Block Grant (in HHS)</td>
<td>2,278,313</td>
<td>2,209,043</td>
<td>-69,270</td>
<td>2,478,313</td>
<td>+269,270 (+12.2%)</td>
</tr>
<tr>
<td>Library Services Technology Act State Grants</td>
<td>156,365</td>
<td>148,186</td>
<td>-8,179</td>
<td>150,000</td>
<td>+1,814 (+1.2%)</td>
</tr>
<tr>
<td>Museum Services Act</td>
<td>29,449</td>
<td>27,909</td>
<td>-1,540</td>
<td>31,513</td>
<td>+3,604 (+12.9%)</td>
</tr>
</tbody>
</table>

### Endnotes

¹ The final FY 2013 levels reflect an across-the-board cut of 0.2% from the levels set in the Consolidated and Further Continuing Appropriations Act. These levels are then reduced by the 5.0% sequester cuts applicable to all Nondefense Discretionary programs. The sequester cuts are based on the OMB ordered cut of 5.0% from the March 27 CR levels, which included a 0.612% across-the-board increase. However, for four programs with advanced appropriations (Title I, ESEA Title II, IDEA State Grants and Career/Technical Education state grants), the 5% cut is applied to the advanced appropriations provided in the FY 2012 omnibus for FY 2013 (which does not include the 0.612% ATB increase) and to the FY 2013 annual appropriation level provided in the CR which included the ATB increase. All of the cut will be taken from funds made available in June 2013 for the 2013-14 school year. For additional details see [July 2012 memo](#) from Anthony W. Miller, Deputy Secretary, U.S. Department of Education.
The final FY 2013 levels generally represent a cut of 5.23% below FY 2012 (except for programs such as Head Start which received a specific pre-sequester increase in the FY 2013 CR).

In addition to these discretionary funded programs, the budget proposes the following new mandatory funded programs:

- $75 billion over ten years for the Preschool for All program. $1.3 billion is proposed for ED in FY 2014.
- $5 billion in one-time mandatory funds for the RESPECT Project
- $12.5 billion in one time funds for an educator jobs fund (provided in FY 2013).
- $4 billion in mandatory funds, beginning in FY 2015, for a Community College to Career Fund that would support community college-based training programs and other activities that help prepare workers for jobs in high-growth and high-demand sectors. An additional $4 billion would be provided through the Department of Labor.
- $190 million for the Presidential Teaching Fellows program, which is specifically focused on ensuring that recipients enter, remain, and thrive in the field of teaching.

The proposed increase would fund a new competitive grant program that would strengthen formula grant implementation by building district-level capacity to support school turnaround efforts and to sustain improvements in schools that have used funds to successfully implement a school intervention model. Up to $25 million of these funds also could be used to expand the School Turnaround AmeriCorps, an initiative launched in partnership with the Corporation for National and Community Service in 2013 that uses AmeriCorps volunteers to help build local capacity to implement effective school turnarounds.

The grants would address fundamental needs like facility creation and workforce development, as well as quality improvement efforts and the scale-up of proven preschool models. Eligible applicants would include: (1) low-capacity States (those with small State-funded preschool programs and those without any State-funded preschool programs) seeking to develop the critical physical and program quality infrastructure needed to enable them to partner with the Federal Government in the Preschool for All program; and (2) States with more robust State-funded preschool systems that commit to improving the quality of existing programs and supporting the expansion of high-quality local programs that could serve as models for the Preschool for All initiative.

In addition to this new discretionary program the budget proposes $1.3 billion to launch a 10-year, $75 billion mandatory investment in the Preschool for All program, which would support State efforts to provide access to high-quality preschool for all 4-year-olds from low- and moderate-income families.

The Effective Teaching and Learning: Literacy program would provide competitive grants to State educational agencies (SEAs), alone or in partnership with other entities, for comprehensive State and local efforts to improve literacy instruction, especially in high-need schools, for children and youth from preschool through grade 12.

The Effective Teaching and Learning for a Well-Rounded Education program would support competitive grants to SEAs and high-need LEAs, alone or in partnership with other entities, to develop and expand innovative practices for improving teaching and learning in the arts, health education, foreign languages, civics and government, history, geography, environmental education, economics and financial literacy, and other subjects.

This program would focus on increasing graduation rates and preparation for college matriculation and success by supporting college-level and other accelerated courses and instruction, including gifted and talented programs, in high-poverty schools. Grantees would implement such strategies as expanding the availability of Advanced Placement and International Baccalaureate courses, dual-enrollment programs that allow students to take college-level courses and earn college credit while in high school, and “early college high schools” that allow students to earn a high school degree and an Associate’s degree or 2 years of college credit simultaneously. The program would fund accelerated learning opportunities for students across the performance spectrum, including those who exceed proficiency standards, in high-poverty elementary schools. Grants also would support projects that re-engage out-of-school youth or students who are not on track to graduate.

The Department would be authorized to reserve funds to make grants to States to pay for the cost of advanced test fees for students from low-income families.
Under this proposed consolidation of several programs, the Department would award grants to increase the capacity of States, districts, and schools to create safe, healthy, and drug-free environments in a comprehensive manner, so that students are able to focus on learning and teachers on teaching. Further, it would provide increased flexibility for States and local educational agencies to design strategies that best reflect the needs of their students and communities, including programs to (1) improve school climate by reducing drug use, alcohol use, bullying, harassment, or violence; (2) improve students’ physical health and well-being through comprehensive services that improve student nutrition, physical activity, and fitness; and (3) improve student’s mental health and well-being through expanded access to comprehensive services, such as counseling, health, mental health, and social services.

The new program would also include a national activities authority, under which the Department would reserve funds for several initiatives that are included in Now Is The Time, the President’s plan to make our schools safer and protect our children from gun violence. These initiatives include $30 million for grants to SEAs to help their LEAs develop, implement, and improve their emergency management plans; $50 million for School Climate Transformation Grants and related technical assistance to help schools train their teachers and other school staff to implement evidence-based behavioral intervention strategies to improve school climate; and $25 million for Project Prevent grants to LEAs to help schools in communities with pervasive violence break the cycle of violence. Funds requested under National Activities would also be used to help LEAs and IHEs recover from emergencies under Project SERV (School Emergency Response to Violence), and for data collection, dissemination, outreach, and related forms of technical assistance for other activities that promote safe and healthy students.

$3 million in funds available under the Department of Education Safe Schools and Citizenship account are to be used to assist educational institutions impacted by school violence.

These funds are all for a new Race to the Top—College Affordability and Completion competition aimed at catalyzing State efforts to pursue systemic higher education reforms and promote innovations to improve college affordability, access, completion, and quality; achieve better student outcomes; and increase institutional capacity to graduate more students with high-quality credentials.

The request would also support the Advanced Research Projects Agency-Education (ARPA-ED), a new entity modeled after similar agencies in the Department of Defense and Department of Energy that would pursue breakthrough developments in educational technology and tools.

Includes $150 million for proposed STEM Innovation Networks program would provide competitive awards to LEAs in partnership with institutions of higher education, nonprofit organizations, other public agencies, and businesses to transform STEM teaching and learning by developing and validating evidenced-based practices in a set of “platform schools” and implementing them across broader, regional networks of participating schools following validation of effectiveness. Also includes $80 million for the STEM Teacher Pathways proposal which would provide competitive grants to create or expand high-quality pathways to teacher certification and other innovative approaches for recruiting, training, and placing talented recent college graduates and mid-career professionals in the STEM fields in high-need schools. Also includes $35 million for to establish the first cohort of the STEM Master Teacher Corps, which would identify, recognize, and reward some of the Nation’s most talented STEM teachers, enlisting them in a national network to assist in building local and regional communities of practice that would help transform STEM teaching and learning while raising the profile of the STEM teaching profession. Also includes $149.7 million to create an Effective Teaching and Learning: STEM program that would build on the experience of the current Mathematics and Science Partnerships program, making awards to SEAs, alone or in partnership with other entities, to implement a comprehensive strategy for the provision of high-quality STEM instruction and support to students. States would be permitted to reserve up to 20 percent of grant funds for State-level activities to support the development and implementation of a coherent approach to providing high-quality, evidence-based STEM instruction in high-need schools.

Funds would support competitive grants to LEAs in partnership with institutions of higher education and employers—including business and industry as well as non-profit and community-based organizations—for projects that (1) leverage existing Federal, State, and local resources to engage students in personalized learning opportunities tied to real world experience (such as career-based learning); (2) provide students with rigorous, challenging academic content aligned with college-level expectations, including programs that offer students access to college-level coursework and opportunities to gain postsecondary credit while still in high school; (3) help students learn not only academic content but also pertinent career-related competencies and employability and technical skills; and (4) offer meaningful college and career exploration opportunities and high-quality advisory services. The new program would give priority to partnerships in areas with limited access to quality career and college opportunities, such as high-poverty or rural LEAs.
Proposes to reserve up to 25 percent of the appropriation to recruit, train, and support effective teachers and school leaders; fund competitive grants to States and LEAs to improve educator evaluation and licensure systems and develop rigorous accountability systems for educator preparation programs; and to invest in other efforts to enhance the teaching and leadership professions.

Up to 1.5% must be set-aside for a national competitive grant program for educator professional development (SEED).

Would make competitive awards to States and LEAs willing to implement bold approaches to improving the effectiveness of the education workforce in high-need schools and districts by creating the conditions needed to identify, reward, retain, and advance effective teachers, teacher leaders, principals, and school leadership teams in those schools, and enabling schools to build the strongest teams possible.

The proposal includes two authorities: Supporting Effective Charter Schools grants and Promoting Public School Choice grants. The Supporting Effective Charter Schools grants program would support competitive grants to SEAs, charter school authorizers, charter management organizations, LEAs, and other nonprofit organizations to start or expand effective charter and other autonomous public schools. Funds would also be available for competitive grants for charter schools facilities programs. The Promoting Public School Choice grants program would support competitive grants to LEAs, individually or in a consortium, and to SEAs in partnership with one or more high-need LEAs, to develop and implement a comprehensive choice program that increases the range of high-quality educational options available to students in high-need schools. In FY 2014, the Department would fund only the Supporting Effective Charter Schools program, with the proposed $40 million increase focused on the replication and expansion of high-quality charter schools.

The request includes $30 million to fund a math initiative, to be administered jointly with the National Science Foundation, to develop, validate, and scale up evidence-based approaches to improve student learning at the K-12 level through the transition to postsecondary education. The request also would provide $10 million to support interagency strategies to strengthen services to disconnected youth, $1.3 million to continue the Data Quality Initiative, which helps ensure that program management decisions are based on sound information, and $5 million for a Youth Data Pilot that would enhance communities’ tracking of and performance on multiple outcomes for youth.

See proposed Effective Teaching and Learning: Literacy (proposed program).

Clarifies that penalties paid by States for violating maintenance of effort under part B of the IDEA shall be reallocated to States by formula to those States that did not violate those requirements. The language further clarifies that both the reduced State allocations due to penalties paid and increased amounts under the reallocation shall not be considered in FY 2013 or future years for allocations under the statutory formula. This is needed for the Department of Education to distribute in 2013, $36 million in IDEA Part B funds that were withheld in 2012 from States that did not meet their maintenance of efforts requirements and to ensure states penalized in 2012 are not penalized again in 2013 for the same violation. Specifically, the Department penalized Kansas for $1 million and South Carolina for $35 million in 2012. Without the language, the Department of Education will not be able to re-set penalized States’ funding allocations to their pre-penalty levels in 2013. In effect, these States would be penalized twice for the same maintenance of effort infraction.

The request for CTE State Grants includes up to $100 million for a competitive CTE innovation fund, including $10 million for “Pay-for-Success” projects. Initial investments under this set-aside might include projects to develop programs or strategies to (1) provide services that help disconnected youth access career pathways in high-skill, high-wage jobs; (2) expand the capacity of rural and remote communities to provide access to articulated pathways to industry-recognized postsecondary credentials or degrees for in-demand industry sectors and occupations; or (3) use technology to improve service delivery and provide learning experiences to students through the use of virtual simulations of workplace equipment.

CTE National Programs would support implementation of a reauthorized Perkins Act through research, evaluation, data collection, technical assistance, and other national leadership activities aimed at improving the quality and effectiveness of career and technical education. The request includes $10 million, along with up to $32 million that the Department is requesting under the GPRA Data/HEA Program Evaluation program in the Higher Education account, to create a $42 million fund to support and evaluate dual-enrollment programs that target local workforce needs.

The Pell grant program is exempt from the across-the board sequester cut but was subject to the 0.2% ATB cut.
The request would revise current allocation formulas for Supplemental Education Opportunity Grants and Work-Study to reward institutions that keep their tuition and tuition increases low, enroll and graduate high numbers of Pell-eligible students, and provide good value.

The FY 2014 request would provide approximately $260 million for the First in the World (FITW) fund. Up to $175 million of FITW funds would be used to support an evidence-based grant competition, which would apply the lessons of the successful Investing in Innovation (i3) program for K-12 to the challenge of improving college attainment and productivity. First in the World would provide “venture capital” to encourage innovative approaches to improving college completion, research support to build the evidence of effectiveness needed to identify successful strategies, and resources to scale up and disseminate proven strategies. The competition would include a priority for projects designed to improve college access and selection for high-need secondary school students. In addition, up to $75 million, to be available until expended, would be used to support: (1) projects to develop third-party validation systems that identify competencies, assessments, and curricula for specific fields; and (2) Pay for Success awards to providers of free 2-year degrees, especially in fields supported by validation systems. These initiatives build alternative pathways for programs that are non-accredited, and therefore do not qualify for Federal grants and student loans, to receive Federal support if they can demonstrate positive student outcomes.

The request also includes $11 million in funding under FIPSE that would be used to cover continuation costs for projects previously funded under Model Transition Programs for Students with Intellectual Disabilities in Higher Education.

Allows continuation awards for Javits Fellowship recipients under the Graduate Assistance in Areas of National Need program. Congress consolidated the two programs last year. This language allows 100 Javits recipients to receive their last year of funding.

The 2014 request would support approximately 683 fellowships, including continuation awards for Javits fellowship recipients.

The request includes $32 million to support a demonstration and evaluation of dual enrollment programs, to be co-funded with $10 million from Career and Technical Education National Programs. Funds would be used to establish or expand dual enrollment programs aligned with career pathways and local workforce needs that offer high school and adult students the opportunity to earn college credits while enrolled in a high school or GED program. In addition, funds would support an on-going evaluation of the Pell grant expansions under the Experimental Sites Study, and a number of other studies of strategies for providing student aid in ways that improve postsecondary access and outcomes.

Includes funds to support a new program, Partnerships and Collaborations Focused on Problems of Practice or Policy, which would support research focused on understanding strategies intended to support continuous improvement at the level of education systems.

Up to $25 million would be used for awards to public or private agencies and organizations to support activities to improve data coordination, quality, and use at the local, State, and national levels. The proposed $46.9 million increase includes $36 million for new grants emphasizing early childhood data linkages and better use of data in analysis and policymaking and $10 million for postsecondary data initiatives designed to improve information on students as they progress from high school to postsecondary education and the workforce.

In addition to this discretionary sequester cut, the sequester cuts $207 million from mandatory programs and increases origination fees for student loans.

In addition to this discretionary sequester cut, the sequester cuts $207 million from mandatory programs and increases origination fees for student loans.
Budget Charts and Graphs

The Need to Invest in Education
Rising K-12 Enrollments
Public school enrollment (in thousands)

![Graph showing rising K-12 enrollments from 1993 to 2021.]

SOURCE: CEF based on NCES Projections of Education Statistics to 2021

Rising Higher Education Enrollments
Enrollment in Degree - Granting Institutions (in thousands)

![Graph showing rising higher education enrollments from 1993 to 2011.]

SOURCE: CEF based on NCES Projections of Education Statistics to 2021
More Children in Poverty

Children in poverty (Percent) – 2000 to 2011

More Hispanic Students

Hispanic Share of Pre-K through 12th Grade Public School Enrollment and 18- to 24-Year-Old College Enrollment, 1972–2011

Notes: "Pre-K through 12th grade public school enrollment, ages 3 and older" shows the Hispanic share of enrollment in public schools from pre-K through 12th grade. Public school enrollment figures for 1980 are not available. "College enrollment, ages 18-24" shows Hispanic share among college students ages 18 to 24.

Source: Pew Hispanic Center analysis of the October Current Population Survey (CPS)
Fewer Local Education Employees

SOURCE: CEF based on BLS seasonally adjusted employment data
Annual Percentage Changes in State Appropriations for Higher Education per Full-Time Equivalent (FTE) Student and Percentage Changes in Inflation-Adjusted Tuition and Fees at Public Four-Year Institutions (1981-82 to 2011-12)

SOURCE: The College Board, *Trends in College Pricing 2012*, Figure 12A
State Appropriations for Higher Education:
Total Appropriations in 2011 Dollars (in Billions),
Appropriations per Public FTE Student in 2011 Dollars,
and Public FTE Enrollment (in Millions)
(1981-82 to 2011-12)

SOURCE: The College Board, Trends in College Pricing 2012, Figure 12B
Unemployment Linked to Educational Attainment
(March 2013 unemployment rate)

SOURCE: CEF based on BLS data

Unemployment Rates Among Individuals 25 and Older
(by Education Level, 1992-2009)

SOURCE: The College Board, Education Pays 2010, Figure 1.10a; Bureau of Labor Statistics, 2010d.
Earnings Based on Learning
(Median Lifetime Earnings by Highest Educational Attainment, 2009 Dollars)

SOURCE: Georgetown University Center on Education and the Workforce; The College Payoff

Earnings Based on Learning
(Earnings of four-year, college-educated workers remain nearly twice those of high school-educated workers)

SOURCE: Georgetown University Center on Education and the Workforce; The College Advantage: Weathering the Economic Storm

SOURCE: The College Board, *Education Pays 2010*, Figure 1.7a; Autor, 2010.
Median Hourly Wage Gain per Year of Schooling
(1973, 1989 and 2007)

SOURCE: The College Board, Education Pays 2010, Figure 1.7b; Autor, 2010.
Postsecondary Enrollment Rates of Recent High School Graduates by Family Income, 1984-2008

SOURCES: The College Board, *Education Pays 2010*, Figure 2.1; National Center for Education Statistics, 2010.
The Public Opposes Education Cuts
(Would you approve or disapprove of reducing federal funding for education as a way to reduce the size of the national debt?)

Disapprove 75%
Approve 21%


Two-Thirds Want to Protect Education from Sequester Cuts

Cut education the same as other programs 34%
Cut education, but less than other programs 21%
Don’t cut education at all 45%

SOURCE: CEF/FEI Poll, December 2012
FY 2012 Department of Education Discretionary Funding

SOURCE: CEF based on U.S. Department of Education data
FY 2014 President’s Budget Outlays

- Social Security: 23%
- Medicare: 14%
- Medicaid: 8%
- Medicare (other than ED): 15%
- Nondefense discretionary (other than ED): 16%
- Other Mandatory (minus ED): 16%
- Interest: 6%
- Defense: 16%
- Department of Education: 2%

SOURCE: CEF based on OMB data
Department of Education Outlays as Percentage of Total Federal Outlays

SOURCE: CEF based on OMB data

Education Funding
(Discretionary Budget Authority in billions)

SOURCE: CEF based on OMB data

FY 2009 includes ARRA
Total ED Discretionary Funding
(in millions)
**U.S. Department of Education Discretionary Funding**

*President’s FY 2014 Budget Request*

<table>
<thead>
<tr>
<th>Year</th>
<th>FY 2012 (in thousands)</th>
<th>FY 2013 (HR 933*)</th>
<th>FY 2013 Post-Sequester</th>
<th>FY 2014 Budget Request</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$68,112,289</td>
<td>$67,976,064</td>
<td>$65,704,706</td>
<td>$71,209,062</td>
</tr>
<tr>
<td>vs. FY 2012</td>
<td>-$136,225</td>
<td>-$2,407,583</td>
<td>-$3,232,998</td>
<td>+$3,096,773</td>
</tr>
<tr>
<td></td>
<td>-0.2%</td>
<td>-3.5%</td>
<td>+4.8%</td>
<td>+4.5%</td>
</tr>
</tbody>
</table>

*Combined and Further Continuing Appropriations Act, 2013 (Public Law 113-6)*

Source: NEA calculations based on data from the U.S. Department of Education Budget Service; and, the National Center for Education Statistic's report, Projections of Education Statistics to 2021 (January 2013). For more information, contact Tom Zembar at 202.822.7109 or TZembar@nea.org. | April 25, 2013
Total ED Discretionary Funding Excluding Pell
(in millions)
**U.S. Department of Education Discretionary Funding** (excluding Federal Pell Grants)

*President’s FY 2014 Budget Request*

<table>
<thead>
<tr>
<th>Year</th>
<th>BASELINE</th>
<th>BUDGET</th>
<th>FY 2012</th>
<th>FY 2013 (HR 933*)</th>
<th>FY 2013 Post-Sequester</th>
<th>FY 2014 Budget Request</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td><strong>$45,288,289</strong></td>
<td><strong>$45,197,712</strong></td>
<td><strong>$42,926,354</strong></td>
<td><strong>$48,385,062</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>vs. FY 2012</td>
<td>vs. FY 2012</td>
<td>vs. FY 2013 Post-Sequester</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>-$90,577</strong></td>
<td><strong>-$2,361,935</strong></td>
<td><strong>+$5,458,708</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>-0.2%</strong></td>
<td><strong>-5.2%</strong></td>
<td><strong>+12.7%</strong></td>
</tr>
</tbody>
</table>

*Consolidated and Further Continuing Appropriations Act, 2013 (Public Law 113-6)*

Source: NEA calculations based on data from the U.S. Department of Education Budget Service; and, the National Center for Education Statistic’s report, Projections of Education Statistics to 2021 (January 2013). For more information, contact Tom Zembar at 202.822.7109 or TZembar@nea.org. | April 25, 2013
FY 2013 Impact of Sequestration
(in millions)

<table>
<thead>
<tr>
<th>Category</th>
<th>Impact (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Dept of ED</td>
<td>-$2,478</td>
</tr>
<tr>
<td>Title I</td>
<td>-$727</td>
</tr>
<tr>
<td>Impact Aid</td>
<td>-$65</td>
</tr>
<tr>
<td>Teacher Quality</td>
<td>-$124</td>
</tr>
<tr>
<td>IDEA Grants</td>
<td>-$87</td>
</tr>
<tr>
<td>Career, Tech, Adult Student Aid</td>
<td>-$86</td>
</tr>
<tr>
<td>Higher Ed</td>
<td>-$129</td>
</tr>
<tr>
<td>Head Start</td>
<td>-$401</td>
</tr>
</tbody>
</table>
**Education Department Discretionary Funding: Formula vs. Competitive Grants**

*President’s FY 2014 Budget Request*

<table>
<thead>
<tr>
<th>COMPETITIVE</th>
<th>FORMULA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discretionary grant funding (includes grant programs that may also enter into contracts and/or cooperative agreements), as appropriated in 2012 or requested for 2014</td>
<td>Discretionary grant funding, as appropriated in 2012 or requested for 2014</td>
</tr>
</tbody>
</table>

**2012**
- **$37,293,974**
- **$42,927,415**

**2014**
- **$68,112,289**
- **$71,209,062**

**Percentage Share of Total Discretionary Grant Funds**
- **2012**: 11% of $71,209,062
- **2014**: 19% of $71,209,062

**FY 2012**
- Total Discretionary: $68,112,289
- Discretionary Grants: $42,927,415
- Formula Grants: $38,398,374
- Competitive Grants: $4,529,041
- Other Discretionary*: $25,184,874

**FY 2014**
- Total Discretionary: $71,209,062
- Discretionary Grants: $45,991,059
- Formula Grants: $37,293,974
- Competitive Grants: $8,697,085
- Other Discretionary*: $25,218,003

*Includes direct appropriations, contracts, cooperative agreements, loans, administration, and Federal Pell Grants. Under the Federal Pell Grants program, payments are made to institutions based on student eligibility.

Source: NEA calculations based on data from the U.S. Department of Education Budget Service. For more information, contact Tom Zembar at 202.822.7109 or TZembar@nea.org. | April 25, 2013
The Sequester and Education Funding Timeline

School Year 2012-13

FY 2012 Regular Appropriation became available July 2012\(^1\)

Not Subject to Sequester

FY 2012 Advanced Appropriation became available October 2012\(^2\)

Subject to the sequester but cut taken out of FY 2013 regular appropriation for the 2013-14 school year

---

1: Except for Impact Aid, Vocational Rehabilitation and the Regional Education Labs, all ED programs are forward funded; funds appropriated in a given federal fiscal year become available in the succeeding school year.

2: Applies to Title I grants to LEAs, ESEA Title II Teacher Quality State Grants, IDEA Part B State Grants and Career and Technical Education State Grants.
The Sequester and Education Funding Timeline

School Year 2013-14

FY 2013 Regular Appropriation becomes available July 2013¹

FY 2013 Advanced Appropriation becomes available October 2013²

Considered FY 2014 funds

Subject to Sequester
As noted above, the sequester cut from the FY 12 advanced appropriations will be taken from these July 2013 allocations

Not Subject to the sequester

¹: Except for Impact Aid, Vocational Rehabilitation and the Regional Education Labs, all ED programs are forward funded; funds appropriated in a given federal fiscal year become available in the succeeding school year. The March 2013 sequester cuts affected these “current year funded” programs in the 2012-13 school year.

²: Applies to Title I grants to LEAs, ESEA Title II Teacher Quality State Grants, IDEA Part B State Grants and Career and Technical Education State Grants.
Proposed Mandatory Spending
(in billions - FY 2013-23)

Pres. Teaching Fellows: $0.7
RESPECT (Teacher Quality): $5.0
Expand Pay-As-You-Earn: $6.4
Community College Training: $8.0
Educator Jobs: $12.5
Pell Grants: $17.9
School Construction Bonds Subsidy: $34.2
Preschool for all: $75.0
Proposed Mandatory Savings
(in billions - FY 2013-23)

Perkins Loans

- Market rate student loan interest: $(14.3)
- Loan rehabilitation fees: $(6.4)
- Additional savings: $(3.7)
House Budget Cuts Nondefense Discretionary Funding Below Sequestration
(Budget Authority in Billions)

SOURCE: CEF calculations based on CBO and OMB data
Deficit Reduction
3.5:1 Spending Cuts vs. Revenues

(Ten-year Spending Cuts including Sequestration versus Ten-year Revenue Increases Since 2011)

Revenue Increases = $660 Billion

Spending cuts = $2.337 trillion (78%)

SOURCE: CEF calculations based OMB data
Part I: The Foundation for Success — Early Childhood, Elementary and Secondary Education

Elementary and Secondary Education Act Overview

The president’s FY 2014 budget proposal includes an increase of $1.33 billion or 5.7 percent compared to the FY 2012 pre-sequester level for programs in the Elementary and Secondary Education Act (ESEA). This total excludes Race to the Top since the budget proposes to use all of the requested $1 billion for higher education. It also excludes the $750 million proposed for Preschool Development Grants described below.

The president’s FY 2014 budget proposes significant funding for three areas related to the Elementary and Secondary Education Act (ESEA):

- **Early Education**: The president’s budget proposes $75 billion over the next ten years to support a significant expansion of early education opportunities for low- and moderate-income four-year-olds. The budget proposal pays for this expansion by increasing the federal tax on tobacco products. In the first few years of the program, federal funds would represent a larger share of the program (90 percent), and as time passes States would shoulder more of the fiscal responsibility to maintain high-quality early education programs. States would use funds to provide early education to families making at or below 200 percent of the federal poverty level. Of the $75 billion, $1.3 billion in mandatory funds would be designated in FY 2014 for Preschool for All. The initiative also provides $750 million in discretionary funds for Preschool Development Grants. In related early education funding, the proposal also includes funds in the Department of Health and Human Services for Early Head Start – Child Care Partnerships ($1.4 billion) and home visiting services ($15 billion in mandatory funds over ten years beginning in FY 2015).

- **STEM**: The proposal builds on previous efforts and consolidates 90 programs from 11 agencies to meet the president’s goal of producing 100,000 science, technology, engineering, and math (STEM) teachers over the next ten years. The Department of Education would fund $265 million for STEM Innovation Networks including $150 million for STEM learning opportunities in school districts, $80 million for STEM Teacher Pathways to support teacher preparation, and $35 million to establish a new STEM Master Teacher Corps. It also includes $150 million for Effective Teaching and Learning: STEM, which would replace the current Mathematics and Science Partnerships program.

- **Safe Schools**: The proposal consolidates three programs and provides an additional $84 million above FY 2012 levels to support grants that build the capacity of States, school districts, and schools to create safe and healthy environments for learning. The new program would give the Department of Education authority to reserve funds for *Now is the Time*, the president’s school safety proposal. This initiative would include $30 million to support development, improvement, and implementation of emergency management plans; $50 million for School Climate Transformation Grants, supporting positive behavioral interventions and supports programs and emergency management technical assistance centers (REMS); and, $25 million for Project Prevent grants.

As part of its ESEA reauthorization plan, the Administration proposes to consolidate existing programs into new funding streams as shown in the table below. Collectively, the consolidations equal an additional $493.9 million when compared to FY 2012 pre-sequester funding levels.

<table>
<thead>
<tr>
<th>(Funding levels in millions)</th>
<th>FY 2012</th>
<th>FY 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Effective Teacher and Leaders State Grants</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improving Teacher Quality State grants</td>
<td>$2,466.6</td>
<td></td>
</tr>
<tr>
<td>Transition to Teaching</td>
<td>$26.1</td>
<td></td>
</tr>
<tr>
<td>Teacher Quality Partnership</td>
<td>$42.8</td>
<td></td>
</tr>
<tr>
<td><strong>Teacher and Leader Innovation Fund</strong></td>
<td></td>
<td>$400.0</td>
</tr>
<tr>
<td>Teacher Incentive Fund</td>
<td>$299.4</td>
<td></td>
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<tr>
<td><strong>STEM Innovation</strong></td>
<td></td>
<td>$414.7</td>
</tr>
<tr>
<td>Math/Science Partnerships</td>
<td>$149.7</td>
<td></td>
</tr>
<tr>
<td><strong>Effective Teaching and Learning: Literacy</strong></td>
<td></td>
<td>$186.9</td>
</tr>
<tr>
<td>Ready-to-Learn Television</td>
<td>$27.2</td>
<td></td>
</tr>
<tr>
<td>Striving Readers</td>
<td>$159.7</td>
<td></td>
</tr>
<tr>
<td>(Funding levels in millions)</td>
<td>FY 2012</td>
<td>FY 2014</td>
</tr>
<tr>
<td>------------------------------------------------------------------</td>
<td>---------</td>
<td>---------</td>
</tr>
<tr>
<td><strong>Effective Teaching and Learning for a Well-Rounded Education</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arts in Education</td>
<td>$25.0</td>
<td></td>
</tr>
<tr>
<td><strong>College Pathways and Accelerated Learning</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High School Graduation Initiative</td>
<td>$48.8</td>
<td>$102.0</td>
</tr>
<tr>
<td>Advanced Placement</td>
<td>$30.1</td>
<td></td>
</tr>
<tr>
<td><strong>Successful, Safe and Healthy Students</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SDFS National Program Activities</td>
<td>$64.9</td>
<td>$280.0</td>
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<tr>
<td>Elementary and Secondary School Counseling</td>
<td>$52.3</td>
<td></td>
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<tr>
<td>Physical Education</td>
<td>$78.7</td>
<td></td>
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<tr>
<td><strong>Expanding Educational Options</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charter Schools Grants</td>
<td>$254.8</td>
<td>$294.8</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$3,726.1</td>
<td>$4,220.0</td>
</tr>
</tbody>
</table>

The president’s budget includes funding for revised versions of both Race to the Top ($1 billion, with authority to administer a higher education competition) and Investing in Innovation ($215 million). These programs were authorized and funded under the American Recovery and Reinvestment Act (ARRA). The chart below summarizes the proposed funding levels for ESEA programs, sorted by decrease, increase, or funding freeze, compared to FY 2012.

- Italics = new, consolidated, or significantly revised programs

<table>
<thead>
<tr>
<th>Program</th>
<th>Change in Funding Level (millions of $)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective Teacher and Leaders State Grants</td>
<td>-68.9</td>
<td>Decrease</td>
</tr>
<tr>
<td>Impact Aid</td>
<td>-66.9</td>
<td>Decrease</td>
</tr>
<tr>
<td>Educator Jobs</td>
<td>+12,500 (mandatory)</td>
<td>Increase</td>
</tr>
<tr>
<td>RESPECT</td>
<td>+5,000 (mandatory)</td>
<td>Increase</td>
</tr>
<tr>
<td>Preschool for All</td>
<td>+1,300 (mandatory)</td>
<td>Increase</td>
</tr>
<tr>
<td>Preschool Development Grants</td>
<td>+750.0</td>
<td>Increase</td>
</tr>
<tr>
<td>Race to the Top</td>
<td>+451.0</td>
<td>Increase</td>
</tr>
<tr>
<td>High School Redesign</td>
<td>+300.0</td>
<td>Increase</td>
</tr>
<tr>
<td>STEM Innovation</td>
<td>+265.0</td>
<td>Increase</td>
</tr>
<tr>
<td>Promise Neighborhoods</td>
<td>+240.1</td>
<td>Increase</td>
</tr>
<tr>
<td>School Improvement Grants</td>
<td>+125.0</td>
<td>Increase</td>
</tr>
<tr>
<td>21st Century Community Learning Centers</td>
<td>+100.0</td>
<td>Increase</td>
</tr>
<tr>
<td>Teacher and Leader Innovation Fund</td>
<td>+100.0</td>
<td>Increase</td>
</tr>
<tr>
<td>Successful, Safe, Healthy Students</td>
<td>+84.1</td>
<td>Increase</td>
</tr>
<tr>
<td>School Leadership</td>
<td>+68.9</td>
<td>Increase</td>
</tr>
<tr>
<td>Investing in Innovation</td>
<td>+65.6</td>
<td>Increase</td>
</tr>
<tr>
<td>Well-Rounded Education (Arts)</td>
<td>+50.0</td>
<td>Increase</td>
</tr>
</tbody>
</table>
Expanding Educational Options (Charter School Grants) +40.0 Increase
College Pathways and Accelerated Learning +23.3 Increase
Fund for the Improvement of Education +5.5 Increase
Magnet Schools Assistance Program +2.9 Increase
Alaska Native Student Education $0 Level
Assessing Achievement/Testing Consortia $0 Level
Comprehensive Centers $0 Level
English Language Learner Grants $0 Level
Title I Grants to States $0 Level
Homeless Children and Youth Education $0 Level
Effective Teaching and Learning: Literacy $0 Level
Indian Student Education $0 Level
Native Hawaiian Student Education $0 Level
Rural Education $0 Level
Title I State Agency Programs (Migrant And Neglected/Delinquent) $0 Level

Given the strong similarities between the FY 2014 budget and recent budgets, this ESEA proposal raises some of the same critical questions and concerns:

- Virtually all the increases in ESEA are for new programs and competitive grants. States and school districts will face a new level of uncertainty in preparing their budgets, since they will not know in advance whether they will receive any funds, and if so, how much or when.
- The nature of competitive grants dictates many States and districts will not receive funds, thus contributing to fiscal stress in States and districts that have significant unmet needs.
- Competitive grants might unfairly favor those States and districts with more capacity to write grant applications.
- Freezes in funding for the foundational Title I and IDEA programs will contribute to the difficult task faced by States and districts in attempting to close achievement gaps and improve overall student learning.
- States and districts face a significant funding cliff related to sequestration. Continuing large budget gaps in most States exacerbate this situation.
Elementary & Secondary Education Initiatives (proposed legislation)

President’s FY 2014 Budget Request

**STEM Innovation**
The 2014 budget includes $265 million to fund three new competitive grant programs: (1) $150 million for STEM Innovation Networks, a consortia of districts, institutions of higher education, and other regional partners that would develop, test, and implement effective strategies for improving STEM education in their communities; (2) $80 million for STEM Teacher Pathways, to recruit and train effective STEM teachers for high-need schools; and (3) $35 million to establish the first cohort of the STEM Master Teacher Corps. In addition, the budget includes $150 million for the existing program, Mathematics and Science Partnerships, for a total of $415 million in 2014.

**High School Redesign**
The 2014 budget includes $300 million to fund competitive grants to LEAs in partnership with institutions of higher education and employers to transform the high school experience and ensure that all students graduate from high school with college credit and career-related experience. The new program would give priority to partnerships in areas with limited access to quality career and college opportunities, such as high-poverty or rural LEAs. Grantees would also be required to leverage existing Federal, State, and local resources to implement their projects.

**School Safety**
Successful, Safe, and Healthy Students is a new program that would consolidate existing programs, such as school counseling, and add a national activities authority to support three new competitive grants: (1) $50 million for School Climate Transformation Grants to help 8,000 schools train their teachers and other school staff to implement evidence-based strategies to improve school climate; (2) $30 million for one-time grants to SEAs to help their LEAs develop, implement, and improve their emergency management plans; and (3) $25 million for Project Prevent grants to help schools address pervasive violence through mental health and other services. (Additional funding for school safety is proposed through other federal agencies.)

**Promise Neighborhoods**
The 2014 budget includes $300 million, an increase of $243 million from 2013, to provide competitive 1-year planning grants and up to 5-year implementation grants to community-based organizations for the development and implementation of comprehensive neighborhood programs designed to combat the effects of poverty and improve educational and life outcomes for children and youth. This investment would also contribute to newly designated Promise Zones—communities with highly concentrated poverty in which federal agencies partner with local leaders to break down barriers and coordinate the resources and expertise they need to move into the middle class.

Source: U.S. Department of Education Budget Service. For more information, contact Tom Zembar at 202.822.7109 or TZembar@nea.org. | April 25, 2013
Elementary and Secondary Education Act

William Blackstone Elementary School in Boston’s South End neighborhood serves 580 diverse students from Pre-Kindergarten to 5th grade. Sixty-eight percent do not speak English as their first language, 60 percent are limited English proficient, 72 percent receive free lunch, and 22 percent are students with disabilities. Designated as an “underperforming school” by the State in 2010, Blackstone Elementary has undergone a dramatic turnaround process over the past two years with new school leadership and many new teachers. Foundational skills are emphasized with targeted interventions for students working far below grade level. As a Title I school-wide program, Blackstone focuses its $215,092 Title I allocation on both academic and support services designed to meet the needs of all students and on special curricula and materials for English learners needing more assistance. Additional staffing allows for Tier 2 interventions with low-performing students and supplemental teacher assistance for newly arrived students and those performing at the lowest levels on the state English language proficiency assessment.

Objective measures of student academic progress at Blackstone include:

- Exceeding 13 of 14 academic performance targets on the CPI (Composite Performance Index) in aggregate and subgroup measures.
- English Language Learners outperforming the district average and the State average on four or five measures in all grade spans on the State English proficiency assessment.
- Cutting math failure rates in half since 2009.

Description

Title I, the cornerstone program of the Elementary and Secondary Education Act (ESEA), provides funds mainly to school districts to help disadvantaged children achieve proficiency on challenging academic standards and to improve the performance of low-achieving schools. The 2002 No Child Left Behind amendments to the ESEA emphasized greater accountability for the academic performance of the whole school and specific groups of students. Title I funding is allocated primarily by formula grants to States and in turn to school districts based on the number of low-income children and other categories of disadvantaged children residing in these jurisdictions. Two-thirds of children served by Title I are minority students. Children participating in Title I receive primarily reading, language arts, and mathematics instruction through school-wide approaches or targeted assistance strategies. Consistently low-performing schools are required to undertake specific improvement measures to increase academic proficiency. Current Administration policies require the identification of the “persistently lowest-achieving schools” in each State for governance, leadership, and staffing changes in addition to instructional interventions. The U.S. Department of Education has approved statewide flexibility waivers of NCLB accountability and expenditure requirements for 35 States and is currently reviewing applications from an additional nine. In exchange, States must implement college and career-ready standards, State-designed differentiated accountability and intervention systems, and teacher and principal evaluation systems.

Title I also authorizes a variety of specialized subprograms, including Even Start, Migratory Children and Neglected and Delinquent Children, School Dropout Prevention, Comprehensive School Reform, Innovation and Evaluation, Reading First and Early Reading First, Improving Literacy Through Libraries, Advanced Placement, and the School Improvement program.

Funding History (in millions)

<table>
<thead>
<tr>
<th>Grants to School Districts</th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Grants*</td>
<td>$6,577.90</td>
<td>$6,234.64</td>
<td>$6,577.90</td>
</tr>
<tr>
<td>Concentration Grants*</td>
<td>$1,362.30</td>
<td>$1,293.92</td>
<td>$1,362.30</td>
</tr>
<tr>
<td>Grants to School Districts Subtotal</td>
<td>$14,516.46</td>
<td>$13,760.22</td>
<td>$14,516.46</td>
</tr>
<tr>
<td>Migrants</td>
<td>$393.24</td>
<td>$372.75</td>
<td>$393.24</td>
</tr>
<tr>
<td>Neglected/Delinquent/At Risk</td>
<td>$50.23</td>
<td>$47.61</td>
<td>$50.23</td>
</tr>
<tr>
<td>Evaluation</td>
<td>$3.19</td>
<td>$3.03</td>
<td>$0</td>
</tr>
<tr>
<td>High School Graduation Initiative**</td>
<td>$48.81</td>
<td>$46.27</td>
<td>$0</td>
</tr>
<tr>
<td>School Improvement (Turnaround) Grants</td>
<td>$533.55</td>
<td>$505.76</td>
<td>$658.55</td>
</tr>
<tr>
<td>Totals</td>
<td>$15,545.48</td>
<td>$14,735.63</td>
<td>$15,618.48</td>
</tr>
</tbody>
</table>

*Reflects program levels rather than budget authority, since a portion of the appropriation becomes available October 1.

** Funds would be consolidated under proposed College Pathways grants.
Impact of President’s Budget

The president’s FY 2014 budget proposal includes $14.5 billion for the traditional ESEA Title I Grants to School Districts. This amount would restore the core Title I school district formula program to its pre-sequestration level. Similarly, the Migrant and Neglected and Delinquent programs would be restored to their pre-sequestration levels. The Administration request includes a $125 million increase for School Turnaround Grants. The increase would fund a new competitive grant program to build district-level capacity to support school turnaround efforts, with up to $25 million targeted to expand the School Turnaround/Americorps partnership program. The remaining $534 million for School Turnaround would continue to be allocated to States and in turn to school districts for implementation in low-performing schools of the four turnaround models. These funds support three-year grants of up to a maximum of $6 million, as well as an additional two years of support for successful school-level turnarounds. The High School Graduation Initiative is proposed for consolidation under the Administration’s ESEA reauthorization proposal, and the Evaluation program would be funded under a proposed one-half percent set-aside. Even with the restoration of sequestration cuts, proposed Title I funding levels for existing programs in School Year 2014-15 would remain virtually unchanged from funding levels three years ago, despite inflation levels of 3 percent in 2011 and 1.7 percent in 2012. This would result in continued erosion of Title I services levels.
Impact of Sequestration

Title I Grants to School Districts would be subject to the 5 percent across-the-board sequestration cut under the Budget Control Act of 2011. In July 2012, the Education Department announced the FY 2013 sequestration percentage would be applied at the beginning of the Title I program year of July 1, 2013, for this forward-funded grant program. At the current $14.5 billion funding level for the Title I LEA Grant program, this would mean an automatic cut in July 2013 of some $725 million from this critical academic program for disadvantaged students. The U.S. Department of Education has testified that 1.2 million of the current 23 million students now served by the program could have services terminated or reduced in School Year 2012-13. Some 2700 schools could have Title I services substantially cut or completely eliminated. While more than 90 percent of the nation’s school districts and over half the nation’s schools participate in the Title I program, the impact of an automatic cut will fall most heavily on the high poverty schools in each of these school districts.

Program Need

For School Year 2013-14, the NCLB annual student proficiency provisions require 100 percent of students and every student subgroup to meet or exceed State proficiency levels in reading and math. Approximately half the nation’s Title I schools did not make Adequate Yearly Progress (AYP) under the NCLB proficiency requirements for the preceding school years, and virtually all schools will fail to meet AYP in the upcoming year if a waiver is not provided. Moreover, the economic recession continues to add students to the national poverty count, with 11.3 million poor students now included in the Title I formula compared to 10.8 million last year and 9.9 million in the preceding year. Based on the generally accepted Title I full funding level of approximately $48 billion for the current 11.3 million school-age children in poverty, the unmet funding need for Title I LEA Grants is now over $33 billion.

Contact Information

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Council of the Great City Schools
(202) 393-2427 • jsimering@cgcs.org
Grants to Local Educational Agencies (ESEA Title I, Part A)
President’s FY 2014 Budget Request

<table>
<thead>
<tr>
<th>Year</th>
<th>Funding in Billions</th>
<th>Change vs. FY 2013 (Post-Sequester)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2012</td>
<td>$14,516,457</td>
<td></td>
</tr>
<tr>
<td>FY 2013</td>
<td>$14,487,424</td>
<td>-$29,033 (-0.2%)</td>
</tr>
<tr>
<td>FY 2013 (HR 933*)</td>
<td>$13,760,219</td>
<td>-$756,238 (-5.2%)</td>
</tr>
<tr>
<td>FY 2014 Budget Request</td>
<td>$14,516,457</td>
<td>+$756,238 (+5.5%)</td>
</tr>
</tbody>
</table>

The 2014 request supports the Administration’s reauthorization plan for Title I, Part A of the ESEA. Among other changes, the plan would permit States to reserve up to 5 percent of their Title I, Part A allocations to build State and local capacity to improve student achievement; create a separately funded State formula grant program for Title I Rewards (but, for 2014 only, the Education Department would provide a 2 percent State-level set-aside of funds under Title I, Part A that would be used to reward high-poverty LEAs and schools that are the highest achieving or making the most progress in improving student achievement; authorize the Education Department to reserve up to 0.5 percent of Title I, Part A formula grant funds under a broad ESEA evaluation authority; and, for LEAs with schools in improvement to spend an amount equal to 20 percent of their Title I, Part A allocations to implement effective school improvement strategies and to carry out strategies designed to ensure the equitable distribution of effective teachers and school leaders, rather than on public school choice and/or supplemental educational services as required under current law.

*Consolidated and Further Continuing Appropriations Act, 2013 (Public Law 113-6)
Source: NEA calculations based on data from the U.S. Department of Education Budget Service; and, the National Center for Education Statistic’s report, Projections of Education Statistics to 2021 (January 2013). For more information, contact Tom Zembar at 202.822.7109 or TZembar@nea.org. | April 25, 2013
School Improvement Grants

Title I, Section 1003(g) of the Elementary and Secondary Education Act (NCLB)

The focus brought to ‘priority’ schools in greatest need by the School Improvement Grants program teaches us that many schools were starved for the necessary resources to serve their students. As one example, Roberts/Early College High School in the Salem-Keizer (OR) School District, an alternative high school serving teen moms, youth offenders, and students who have failed many courses, is seeing its graduation rate exceed the State’s success rate for the first time in a decade. School staff and administrators attribute this and other improvements, such as a 15 percent gain in reading scores, 20 percent gain in math, and the highest attendance rate in the district, to collaborating on exciting new strategies they always wanted to try but didn’t have the funding to implement. Through the support of a SIG grant, national and State education organizations and the local Salem-Keizer education association brought technical assistance to the school and district to support the creation of a new teacher evaluation plan, professional development on working successfully with low-income students and students of color, and a working environment of collaboration on tough issues like redefining the work day.

Description

The School Improvement Grants (SIG) program provides funds for States and districts to address the needs of low-performing districts and schools identified for improvement under No Child Left Behind. The program prioritizes funding to the lowest performing schools demonstrating the greatest need for the funds and the strongest commitment to ensuring the money is used to meet NCLB’s goals.

Funding History (in millions)

<table>
<thead>
<tr>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>$535.55</td>
<td>$505.76</td>
<td>$658.55</td>
</tr>
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<table>
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<tr>
<th>$3,000</th>
<th>$2,500</th>
<th>$2,000</th>
<th>$1,500</th>
<th>$1,000</th>
<th>$500</th>
<th>$-</th>
</tr>
</thead>
</table>

Budget
Impact of President’s Budget
President Obama’s FY 2014 budget request for the School Improvement Grants program proposes a $125 million increase to fund a new program titled School Turnaround Grants. Grants would be used to build district level capacity to support school turnaround efforts and to maintain improvements in schools where funds have been used to successfully implement a school intervention model. Up to $25 million could be used to expand the School Turnaround AmeriCorps, a partnership with the Corporation for National and Community Service to help build local capacity to implement effective school turnarounds.

Impact of Sequestration
The 5 percent cut applied to the School Improvement Grants program due to sequestration resulted in a loss of $27.8 million. This loss of funding will affect more than 42,000 students and eliminate approximately 350 jobs.

Program Need
Congress must continue this dedicated investment in the nation’s poorest performing schools. School Improvement Grant funds serve the growing number of schools and districts that need assistance, based on their unique needs, to raise student achievement and close achievement gaps. Funds provided for SIG will continue to increase the capacity of school improvement efforts to ensure a quality education for all students.

Contact Information
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National Education Association
(202) 822-7725 • aevans@nea.org
Supporting School Turnaround Grants

The $125 million increase (compared to 2012) proposed for school improvement grants in 2014 would fund new competitive grants that build local capacity to support school turnaround efforts and to sustain successful turnarounds following the end of the three-year grant award period. The Education Department also could use a portion of the requested funds to build district capacity for school turnaround by expanding the School Turnaround AmeriCorps initiative.

<table>
<thead>
<tr>
<th>Year</th>
<th>FY 2012 (in thousands)</th>
<th>FY 2013 Post-Sequester (in millions)</th>
<th>FY 2014 Budget Request (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$533,552</td>
<td>$505,756</td>
<td>$658,552</td>
</tr>
<tr>
<td>vs. FY 2012</td>
<td>-$27,796</td>
<td>-5.2%</td>
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</tr>
<tr>
<td>FY 2013 (HR 933*)</td>
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<td></td>
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</tr>
<tr>
<td>vs. FY 2012</td>
<td>-$1,067</td>
<td>-0.2%</td>
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</tr>
<tr>
<td>vs. FY 2013 Post-Sequester</td>
<td>+$126,067</td>
<td>+23.7%</td>
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<tr>
<td>vs. FY 2012</td>
<td>+$125,000</td>
<td>+23.4%</td>
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</tr>
</tbody>
</table>

*Consolidated and Further Continuing Appropriations Act, 2013 (Public Law 113-6)
Source: NEA calculations based on data from the U.S. Department of Education Budget Service; and, the National Center for Education Statistics’s report, Projections of Education Statistics to 2021 (January 2013). For more information, contact Tom Zembar at 202.822.7109 or TZembar@nea.org. | April 25, 2013
High School Redesign

Description
The proposed High School Redesign program will provide competitive grants to local school districts that partner with institutions of higher education, non-profits, community based organizations, government agencies, and business or industry related organizations to stimulate a comprehensive redesign of the high school experience. The program would provide students with meaningful and relevant academic and career-related learning experiences. As cited by the U.S. Department of Education, allowable activities under the grant would include (1) redesigning academic content and instructional practices to align with postsecondary education and careers; (2) providing personalized learning opportunities and academic and wrap-around support services; (3) providing high-quality career and college exploration and counseling services; (4) offering opportunities to earn postsecondary credit while still in high school; (5) offering career-related experiences; (6) offering project-based learning; (7) making more strategic use of learning time, which could include effective application of technology, redesigning school calendars, and competency-based progression; and (8) providing evidence-based professional development to educators.

Funding History (in millions)

<table>
<thead>
<tr>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
</tr>
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<tbody>
<tr>
<td>--</td>
<td>--</td>
<td>$300.00</td>
</tr>
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</table>

Impact of President’s Budget
These new competitive grants, part of the Administration’s plan for reauthorization of the Elementary and Secondary Education Act, are focused on high school transformation to better prepare students for the future. Grantees would leverage existing federal, State, and local funds and resources to implement their redesign programs. Special consideration would be given to applicants from areas with limited access to quality career and college opportunities, including high poverty and rural school districts.

Program Need
Improving high school graduation rates, the bridge from high school to postsecondary education and the workforce, is critical to our continued economic growth. This proposed funding will help provide high school students with relevant and rigorous academic and career-related learning opportunities to deliver the academic foundation and job-related skills leading to college and careers. The comprehensive approach applied in this program will help students gain the academic content, cognitive competencies, and employable skills needed for success in the 21st Century.

Contact Information
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National Association of Secondary School Principals
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Striving Readers Comprehensive Literacy Program

Title I, Part E, Elementary and Secondary Education Act

“Louisiana was one of six states to receive a federal Striving Readers Comprehensive Literacy grant in 2011. Ultimately, we want 90 percent of our students to score at least basic or higher on the literacy assessment, which would be an increase of 20 percentage points. Catahoula Parish will accomplish this goal by delivering a curriculum aligned to standards for college- and career-readiness, using technology to address unique learning challenges and increase student engagement, and targeting literacy instruction and interventions to meet students’ needs.”

-Dr. Gwile Freeman, Superintendent, Catahoula Parish School District, LA

Description

The Striving Readers Comprehensive Literacy Program (SRCL) received $159.7 million in FY 2012. Of the initial appropriation received in FY 2010, $10 million funded formula grants to States to develop comprehensive State literacy plans from birth to Grade 12 by forming State Literacy Teams. One-half of 1 percent of funds went to Bureau of Indian Education activities, one-half of 1 percent for outlying areas, and up to 5 percent for national activities conducted by the Secretary of Education. Remaining funds were distributed through a competitive grant program to State departments of education, which in turn awarded at least 95 percent of funds to local school districts with priority to entities serving the greatest number/percentage of disadvantaged students. Six States have received SRCL competitive awards.

Funding History (in millions)

<table>
<thead>
<tr>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>$159.70</td>
<td>$151.38</td>
<td>$0*</td>
</tr>
</tbody>
</table>

* Funding would be consolidated into the proposed “Effective Teaching and Learning: Literacy” program.

Impact of President’s Budget

The Administration’s proposed $187 million “Effective Teaching and Learning: Literacy” program would provide competitive State literacy grants to State departments of education alone or in partnership with outside entities to support comprehensive State and local efforts to improve literacy instruction.

Impact of Sequestration

A 5 percent funding cut means States with Striving Readers grants will have fewer dollars to award to local school districts for implementation of comprehensive literacy plans to improve reading and writing instruction. A cut of 5 percent would reduce the number of schools with the resources to provide professional development on effective literacy instruction. According to the United Way, the annual cost of illiteracy to businesses and taxpayers is $20 million.

Program Need

In order to develop statewide literacy plans that meet the needs of struggling readers and writers and to expand effective comprehensive literacy instruction from birth to Grade 12, the Striving Readers Comprehensive Literacy Program should be funded at $500 million. These funds would be distributed by formula and would cover national activities conducted by the U.S. Department of Education, State leadership activities, and early childhood, K-Grade 5, and Grades 6-12 literacy grant programs to local school districts with the highest percentage of low-performing students.
The President’s FY 14 Budget proposes to consolidate Striving Readers into a new Effective Teaching and Learning: Literacy program funded at $187 million.

Contact Information

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Rich Long
National Title I Association
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Many school libraries across the United States have a hard time keeping books and materials up-to-date when local school districts are faced with deep budget cuts. The average copyright date of materials in a school library in a North Dakota high school is 1965, with books on the shelves dating back as far as the 1930s. This North Dakota high school is not an exception. Many schools across the country face this very same problem. How can students prepare for 21st century careers, if they are reading materials that still refer to East and West Germany as contemporary nations or imply that space travel is “science fiction?”

Description

From 2002 to 2010 the Improving Literacy through School Libraries program was the primary source for federal funding of school libraries. However, in recent years the president and Congress have consolidated or zero-funded this program. In FY 2012 Senators Jack Reed (D-RI) and Thad Cochran (R-MS) recognized school libraries need a direct funding source in the federal budget and were successful in providing funds through the Fund for the Improvement of Education to create the Innovative Approaches to Literacy program (IAL). At least half the money appropriated to IAL must be allocated to a competitive grant program for underserved school libraries. The remaining money is allocated to competitive grants for national nonprofit organizations that work to improve childhood literacy.

Funding History (in millions)

<table>
<thead>
<tr>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>$28.6</td>
<td>$27.10</td>
<td>$0</td>
</tr>
</tbody>
</table>

The FY 12 and FY 13 appropriations included funds (FY 12 = $28.6 million, FY 13 = $27.1 million) within the Fund for the Improvement of Education for a literacy initiative with no less than 50% available for school libraries.
Impact of the President’s Budget

Without dedicated funding for IAL, the most severely distressed school districts may not have the funds to upgrade substandard school libraries which would impede improved student achievement. Highly effective school libraries provide the tools and resources for education professionals to collaborate on curriculum, materials, and instructional strategies, leading to better and more effective ways to teach students. The elimination of these funds would mean this critical collaboration would be lost in many of the country’s poorest schools.

Program Need

By cutting or consolidating this program, essentially eliminating dedicated funding, school libraries in underprivileged areas will be hurt. The program must be funded at least at the FY 2012 level of $28.6 million so all students have access to a 21st century library.

Contact Information

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High School Graduation Initiative

Title I, Part H, Elementary and Secondary Education Act

Through the My Grad Plan project, the Palm Beach County School District received a High School Graduation Initiative award in FY 2010. My Grad Plan is a collaboration among the school district, Palm Beach State College, the Workforce Alliance, Take Stock in Children, and the Community Partnership Group. The award supported implementation of dropout prevention and recovery activities at Forest Hill, John I. Leonard, Palm Beach Lakes, and Boynton Beach High schools. A graduation coach, social services facilitator, and efficacy specialist were assigned to each school to develop individualized graduation plans for students at risk of dropping out. Out-of-school youth were contacted and received support and assistance to re-enroll in school. All students were given the opportunity to enroll in the Education 2020 Credit Recovery program to earn credits they needed to graduate. The project implemented a two-week summer transition program for entering at-risk ninth graders, providing participants with educational, mentoring, and counseling services. Advancement Via Individual Determination (AVID) programs were also established at each school. In FY 2012 85 percent of students identified for dropout prevention services graduated high school.

Description

The High School Graduation Initiative was funded first in FY 2010 at $50 million. The High School Graduation Initiative replaced the School Dropout Prevention Program last funded in FY 2006. Awards are given to local school districts to reduce the number of students dropping out before completing secondary school and to use proven strategies to assist youth who have dropped out to reenter school. Activities include early identification of students at risk of dropping out of school, programs to encourage youth to reenter school, interventions to increase school completion, and transition services for students moving from middle school to high school.

Funding History (in millions)

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>FY 2013</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>$48.81</td>
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</table>

*Funding would be consolidated into the proposed “College Pathways and Accelerated Learning” program.
Impact of President’s Budget

The Administration proposes to consolidate this program into a funding stream titled “College Pathways and Accelerated Learning” which would also include the Advanced Placement program. While the president proposes an increase in funding from the combined $74.7 million these programs received in FY 2012 to $102.2 million for FY 2014, this consolidation puts at jeopardy a dedicated funding stream for out-of-school youth or students who are not on track to graduate. Because the purposes of the two programs proposed for consolidation are so different – Advanced Placement to support college-level and other accelerated courses and the High School Graduation Initiative to support struggling students or out-of-school youth – this consolidation effectively would place these programs in competition with each other for these funds. A dedicated funding stream must be maintained for the High School Graduation Initiative in order to ensure States and districts are supporting students at-risk of dropping out or who have already dropped out to complete their high school education successfully.

Impact of Sequestration

Because of sequestration, funding for the High School Graduation Initiative will be reduced by $2.5 million for the 2013-14 school year. This cut in funding will disrupt the gains of schools and students across the country by diminishing the resources available to middle and high schools to help all students graduate.

Program Need

The High School Graduation Initiative is the only federal program specifically targeted to reducing the nation’s dropout rate. According to the 2013 report Building a Grad Nation: Progress and Challenge in Ending the High School Dropout Epidemic, the national high school graduation rate has increased 6.5 percentage points since 2001 with an average growth of 1.25 percentage points each year from 2006 to 2010. This has resulted in a graduation rate of 78.2 percent. Grants such as HSGI help schools continue on the path toward the goal of a 100 percent national graduation rate.

Contact Information

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(703) 860-7338 • ballj@nassp.org
Title VIII, Elementary and Secondary Education Act

“The school district is the only constant in our students’ lives. With unemployment of more than 80 percent in the local community, unstable homes, and other markers of poverty, loss of Impact Aid funds would be detrimental to our efforts to offer the students a safe place to learn.”

– Whiteriver Unified School District No. 20, Arizona

“The possibility of sequestration impacting cash available to our district may be the final straw that pushes us over the cliff. Our bargaining groups and management have already agreed to 4 percent in concessions, in addition to the 2 percent that the groups accepted 3 years ago. The reductions are currently being offset with furlough days. This impacts the time in class and may impact our ability to continue delivering the quality education the district is known for throughout our area.”

– Travis Unified School District, California

“Ninety-three percent of our land is not taxable. Valued out, the money received annually is about 118th what would be generated if taxable, and the 40-year struggle to keep the Impact Aid program alive is difficult but essential.”

- Highland Falls, Fort Montgomery Central School District, New York

Description

Impact Aid is a partnership between school districts and the federal government where school districts have significant non-taxable property, such as military installations, Native Trust land, low-rent housing facilities, and communities with national parks and laboratories. Funds may be used for any general fund purpose and nationwide benefit 1,300 school districts enrolling more than 11 million students.

Funding History (in millions)

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
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</thead>
<tbody>
<tr>
<td>Federal Property</td>
<td>$ 66.95</td>
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<td>$1,153.40</td>
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<td>Disability Payments</td>
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<td>$ 45.88</td>
<td>$ 48.41</td>
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<tr>
<td>Construction</td>
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<td>$ 16.53</td>
<td>$ 17.44</td>
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<tr>
<td>Facilities</td>
<td>$ 4.85</td>
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<td>$ 4.84</td>
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<tr>
<td>Total</td>
<td>$1,291.19</td>
<td>$1,223.65</td>
<td>$1,224.24</td>
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</table>

Impact of President’s Budget

While the president’s budget assumes restoration of sequestration cuts, it also eliminates funding for Federal Properties, impacting over 200 school districts in 29 States. This proposal represents a withdrawal from a 62-year commitment from and partnership between the federal government and these school districts.
Impact of Sequestration

The $68 million reduction in Impact Aid already has had a real impact on school districts. As one of the few current-year-funded education programs, the sequester applied to the 2012-13 school year, forcing district leaders to make tough choices in anticipation of significant cuts. Since school districts utilize Impact Aid dollars in a variety of ways, sequester cuts have resulted in elimination of staff positions through attrition, increased class sizes, reduced professional development, fewer bus routes, and delays in technology upgrades and facilities maintenance. Several districts are considering closing or consolidating schools for the upcoming school year. Impact Aid districts also rely on other federal funding streams, like Title I and IDEA, so the cuts will multiply in the 2013-14 school year.

Program Need

The Impact Aid program has not been fully funded since 1969. Over the past decade, appropriated levels have not kept up with increasing education costs (see chart), which for Basic Support (Section 8003) has resulted in districts receiving an increasingly lower percentage of their calculated need-based payment (a percentage of a district’s maximum payment). An additional $125 million is needed to offset the sequester and provide an adequate payment to districts. Federal Property (Section 8002) districts will require several million dollars to offset the sequester and to provide adequate funds to newly eligible districts resulting from additional federal property acquisition.

Contact Information

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(202) 624-5455 • johnfork@nafisd.org

Jocelyn Bissonnette
National Association of Federally Impacted Schools
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<table>
<thead>
<tr>
<th>FY</th>
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</thead>
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<tr>
<td>FY 2004</td>
<td>144.374% of LOT</td>
</tr>
<tr>
<td>FY 2005</td>
<td>136.969% of LOT</td>
</tr>
<tr>
<td>FY 2006</td>
<td>136.949% of LOT</td>
</tr>
<tr>
<td>FY 2008</td>
<td>136.930% of LOT</td>
</tr>
<tr>
<td>FY 2009</td>
<td>129.870% of LOT</td>
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<tr>
<td>FY 2010</td>
<td>115.524% of LOT</td>
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<td>FY 2011</td>
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<td>FY 2012</td>
<td>94%-97% of LOT*</td>
</tr>
<tr>
<td>FY 2013</td>
<td>84%-90% of LOT**</td>
</tr>
</tbody>
</table>

* Represents estimated final rates.  
** Represents estimated final rates with and without 5 percent sequester.
Title II, Elementary and Secondary Education Act

Description
The Teacher Quality grant program focuses on improving student academic achievement by bolstering development and expertise of teachers’ and principals’ skills and increasing the number of highly qualified teachers and principals in schools.

Funding History (in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$2,466.57</td>
<td>$2,337.83</td>
<td>$0*</td>
</tr>
</tbody>
</table>

*Funding would be consolidated under the proposed “Effective Teachers and Leaders State Grants.”

Impact of President’s Budget
The president’s budget maintains funding for this crucial program relative to FY 2012. The budget also proposes a 25 percent set-aside to support certain activities determined by the Department of Education.

Impact of Sequestration
This essential program experienced a cut of $128.74 million under sequestration relative to FY 2012, which will lead to a dramatic reduction in professional development opportunities and class size reduction efforts.

Program Need
The amount of funding for teacher quality directly impacts the level of professional development available to educators. States also use these funds to reduce class size; however, without additional funding, those efforts will be seriously impeded. The important role played by teachers in enabling student success is well documented, and the Administration has placed increased emphasis on the preparation and performance of teachers. Without a significant funding increase dedicated to this program’s purposes, educators will not have the tools to properly meet the Administration’s goals.

Contact Information
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American Federation of Teachers
(202) 879-4452 • ehadley@aft.org
Improving Teacher Quality State Grants (ESEA Title II, Part A)
President’s FY 2014 Budget Request

The 2014 request includes an increase in Title II, Part A’s set aside from 1.5 percent currently to 25 percent to make competitive awards for teacher and leader preparation activities. The Education Department would use the 25-percent set-aside to support: (1) the creation and expansion of high-quality pathways into the teaching profession and school leadership; (2) competitive grants to States and LEAs to dramatically improve the quality of teacher and principal preparation; (3) the Supporting Effective Educator Development (SEED) program, in which the Education Department makes grants to national nonprofit organizations to support teacher and school leader enhancement projects with evidence of effectiveness; and, (4) national research, technical assistance, outreach, and dissemination activities.

*Consolidated and Further Continuing Appropriations Act, 2013 (Public Law 113-6)
Source: NEA calculations based on data from the U.S. Department of Education Budget Service; Findings from the 2011-2012 Survey on the Use of Funds Under Title II, Part A (March 2012), U.S. Department of Education; and, Projections of Education Statistics to 2021 (January 2013), National Center for Education Statistics. For more information, contact Tom Zembar at 202.822.7109 or TZembar@nea.org. | April 25, 2013
Supporting Effective Educator Development Grants

Title II, Part A, Elementary and Secondary Education Act

“As we implement the Common Core State Standards, it is increasingly evident that we first must provide teachers with more intensive professional development in instructional writing strategies so they can assist and confidently support our students in reaching more rigorous academic standards.”

- Becky Ramsey, Principal, West Fork Middle School, West Fork, Arkansas

Description

The Supporting Effective Educator Development (SEED) Grant Program provides funding for competitive grants to national non-profit organizations for projects supported by at least moderate evidence to recruit, select, and prepare or provide professional enhancement activities for teachers, school leaders, or both. The program is funded through a set-aside of up to 1.5 percent from the Teacher Quality State grant program (ESEA Title II). In 2012 three grants were awarded with available funds. In 2013, between one and five grant awards are anticipated.

Funding History (in millions)

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$24.60 million</td>
<td>$25.34 million</td>
<td>*</td>
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</tbody>
</table>

*The Department of Education Budget Justification continues the SEED program with four other programs through reserved funding of up to 25 percent of the Effective Teachers and Leaders State Grant program. However, the proposed budget does not specify the exact amount for each individual program.

Impact of President’s Budget

The president’s FY 2014 budget proposes that SEED be supported with four other programs through reserved funding of up to 25 percent of the $2.47 billion Effective Teachers and Leaders State Grant program (the renamed ESEA Title II-A formula grants to States and districts). This program is focused on recruiting, training, and supporting effective teachers and school leaders, including effective science, technology, engineering, and mathematics teachers. Funds also would be used to invest in efforts to enhance the teaching and leadership professions.

Impact of Sequestration

Since the Department didn’t use the full 1.5 percent set-aside from Title II in FY 2012, the 5 percent sequester cut may not have any impact on the FY 2013 SEED funding. The Department of Education has already indicated it intends to provide $25.34 million in FY 2013.

Program Need

Increasing funding for SEED will help national not-for-profit teacher and principal preparation and professional development programs with proven track records of success effectively serve the communities, teachers and students most in need. The SEED program is critical to ensuring a federal merit-based avenue continues to be available for national non-profits that do the difficult and important work of equipping teachers with the skills to succeed in our nation’s schools. In 2012, 37 national organizations applied for and three received grant awards.

Contact Information

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(202) 289-3900  • enolan@wpllc.net
Mathematics and Science Partnerships

Title II, Elementary and Secondary Education Act

The Iberia Elementary MSP project in Louisiana immersed teachers in hands-on activities, scientific investigations, and field experiences, and used technology to enhance and maximize their experiences in integrating math and science. Participants engaged in activities such as scientific investigations into the needs of living plants, designing imaginary organisms with specific habit needs, and comparing plant and animal cells. Teachers also engaged in real-world applications for environmental science and visited a graduate study site on agricultural pollution in Vermillion Parish. Participants collected data, ran tests, and prepared data charts and analyzed trends and predicted the probability of the data for sites downstream. Content focus areas included algebra, data analysis and probability, scientific inquiry, life science, and environmental science. Participating elementary teachers became more comfortable with science and science curricula and were more prepared to teach it in elementary settings. The program demonstrated the effectiveness of improving teacher content knowledge in science and resulted in improved student test scores as a result of teacher participation.

Description

The Mathematics and Science Partnerships program is designed to improve academic achievement in mathematics and science through the enhancement of teaching skills at the elementary and secondary levels. Funds are distributed by formula to State departments of education. States in turn offer competitive grants to partnerships comprised of local school districts in greatest need, higher education institutions or relevant departments within those institutions, and other eligible entities. Partnership grants focus on increasing rigor in and improving science and math curricula aligned with State and local standards, improving teacher competence through high quality professional development, and training teachers in the effective integration of technology into curriculum and instruction.

Funding History (in millions)

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<tr>
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<th>FY 2012</th>
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<tbody>
<tr>
<td></td>
<td>$149.72</td>
<td>$141.90</td>
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</table>

*Funding would be consolidated into the proposed “Effective Teaching and Learning: STEM” program

Impact of President’s Budget

The president’s budget does not request funding for the Math and Science Partnership program but instead proposes $149.7 million for a new block grant titled “Effective Teaching and Learning: STEM.” The new program would make awards to State departments of education alone or in partnership with other entities such as non-profits and higher education institutions, to implement a comprehensive strategy for the provision of high-quality STEM instruction and support to students. States would be permitted to reserve up to 20 percent of grant funds for State-level activities to support the development and implementation of a coherent approach to providing high-quality, evidence-based STEM instruction in high-need schools. This proposal is one element of a broader “STEM Innovation” plan at the Department that would create “Innovation Networks” funded at $150 million, “STEM Teacher Pathways” funded at $80 million, and a $35 million STEM “Master Teacher Corps.” The Department of Education has maintained a consistent focus on keeping America competitive in the global marketplace through nurturing interest and success in the STEM fields. These new initiatives and a reconfiguration of STEM education investments across the agencies are designed to address these concerns and to address better coordination of federal STEM education programs.

While additional resources for STEM are critically important, elimination of formula-driven funding under the MSP program is a concern for cash strapped school districts. Current partnerships provide important professional development and curriculum reforms to help schools improve the quality of STEM education. Adding to the uncertainty of this new proposal, block granting of federal funds or conversion to competitive grant programs historically has resulted in diminished congressional support because of difficulties in assessing the impact of the wide variety of programs within the grant.
Impact of Sequestration
A 5 percent cut to this program based on the FY 2013 funded level would mean a decrease of nearly $8 million. Every State would lose resources and hundreds of positions would be at risk.

Program Need
Though recent NAEP scores show improvement in math and science achievement, those gains are small and concerns about overall student performance in these subjects persist. Further, the implementation of the Common Core State Standards in mathematics and the Next Generation Science Standards underscore the need for resources for educators in these fields. The Math and Science Partnerships program provides vital resources to States for professional development opportunities for teachers critical to improving student achievement in these disciplines.

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Enhancing Education Through Technology

Title II, Part D, Elementary and Secondary Education Act

“The engagement I have seen in my fifth and sixth graders is inspiring,” said a Rochester City (NY) teacher. “I haven’t seen that pride in paper/pencil assignments for some years now.” The Rochester City School District used EETT funds to scale up an innovative ‘model classroom’ program that expands access to technology, while providing intensive professional development to teachers. English language arts scores have improved on State tests with the greatest gains realized by disadvantaged, African-American, and Hispanic students and females.

Description

Congress included Enhancing Education Through Technology (EETT) as a core provision of ESEA to ensure equitable access to technology, 21st century technology literacy skills, and coordinated investments in teacher professional development necessary to realize improved student achievement. The program distributes money through block grants to States, with an emphasis on serving local districts with demonstrated need for assistance.

Funding History (in millions)

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<tr>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
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![Education Technology State Grants](chart.png)
Impact of President’s Budget

If enacted, the president’s FY 2014 budget proposal would represent the fourth year with no funding for this program. Demand for digital learning is on the rise as States and schools are being challenged to meet the Common Core State Standards personalized instruction. Data driven decision making, shifts to eTextbooks, and the upcoming implementation of the Common Core Online Assessments illustrate the need for the program is greater than ever. The Achievement Through Technology and Innovation (ATTAIN) Act was included in the Senate Committee-passed ESEA reauthorization bill in the 112th Congress. H.R. 521, the Transforming Education through Technology program, has been introduced in the 113th Congress. Both of these bills would revamp and update the ETTT program.

Program Need

To meet the pressing needs resulting from implementation of new college- and career-ready standards and assessments, this program must receive an appropriation of at least $500 million for FY 2014. Such an investment is necessary to create a competitive workforce, technology-proficient educators, well-equipped classrooms, sufficiently supported administrative structures, and a curriculum optimized to take advantage of what technology offers.

Contact Information

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Douglas Levin  
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21st Century Community Learning Centers

Title IV, Part B, Elementary and Secondary Education Act

“I am here today for all youth who need these programs to succeed and for all parents who need these programs to help keep their jobs and for the employers who employ those parents. We should not forget that these programs or the lack of these programs will have an effect on our economy. I am here today with my mother who probably appreciates these funds and the programs they provide even more than I do since these programs allow my mother to be at her job knowing that I am in a safe place at the YMCA.”

- Kayla Brathwaite, YMCA Afterschool Program Participant and Youth Leader, New York City.

Excerpted from testimony before the House Labor, Health and Human Services, Education and Related Agencies Appropriations Subcommittee regarding FY 2014 funding.

Description

The 21st Century Community Learning Centers (21st CCLC) program provides grants to local communities for afterschool programs that serve students attending high-poverty, low-performing schools. Programs also serve children before school and in the summer months. Services include academic enrichment activities to help students meet State and local achievement standards and other services designed to reinforce and complement the regular academic program, such as hands-on STEM activities, fitness and nutrition education, counseling programs, art, music, and recreation programs, and technology education. Beginning in 2014 under the ESEA Flexibility Waivers, States that select the 21st CCLC waiver option will be allowed to fund high-quality expanded learning time schools that add significant time to the school day or year as part of the regular program. Of the 34 States and the District of Columbia approved for ESEA flexibility, 21 States have selected this option. Whether implementing afterschool programs or an expanded learning time program, community partners play a critical role in providing services to students.

Funding History *(in millions)*

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Impact of President’s Budget

The president’s budget proposal for 21st CCLC would increase funding over FY 2012 by $100 million to $1.25 billion. It also calls for consolidating the Full-Service Community Schools program and CCLC. In recent years Full-Service Community Schools has received a separate appropriation of $10 million. In addition, the president’s proposal would allow funds to be used for expanded learning time schools, calling for both in-school and out-of-school expanded learning opportunities subject to the same academic and enrichment requirements. The president proposes a change in the statute to allow all States, rather than just States with the 21st CCLC Flexibility waiver, to use the funds for school-based expanded learning time if they choose to do so. In addition, the budget proposal would change the 21st CCLC program from a formula grant to States to a competitive grant program for State education departments and local school districts, alone or in partnership with nonprofit organizations or local governmental entities.

Impact of Sequestration

The 5 percent sequester cut to the 21st CCLC program is estimated to reduce funding by $60.1 million. This will result in a cut of about 58,000 young people from afterschool programs, summer learning programs, and expanded learning time schools beginning in the 2013-14 school year.

Program Need

Providing programs for young people after school hours and expanding school time assists working families, keeps children safe, and provides students with enriching activities that contribute to their school success. More than 15 million young people are unsupervised once the school day ends. Currently 1.5 million young people are served by the 21st CCLC program. Full funding would allow an additional 1.5 million children and youth to participate in afterschool programs.

Contact Information

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Gifted and Talented Grants

Title V, Part D, Subpart 6, Elementary and Secondary Education Act

“Through my work on the U-STARTS PLUS Javits Grant, I had the privilege of working with over 75 school districts in 6 States to support teachers in recognizing and nurturing potential in children from economically disadvantaged and/or culturally diverse families and children with disabilities to improve achievement and provide access to advanced educational opportunities. There are students with gifts and talents in every community whose unique learning needs require adaptations to the general education curriculum to ensure they remain challenged, engaged, motivated learners. Grants provided under the Javits Act seek to fulfill this mission.”

Mary Ruth Coleman, Senior Scientist FPG Child Development Institute, UNC-Chapel Hill

Description

As the only federal program dedicated to addressing the unique educational needs of students with gifts and talents, the Jacob K. Javits Gifted and Talented Students Education Act focuses its resources on children who have traditionally not been included in gifted education programs – students with disabilities, English language learners, and individuals from economically disadvantaged backgrounds. Through a system of competitive research, State capacity-building grants, and a national research center on gifted education, the Javits Act fills a critical void in our nation’s education system.

Funding History (in millions)

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<tr>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
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*Funding would be available in the proposed “College Pathways and Accelerated Learning” program.

Impact of President’s Budget

The Javits program is the only federal initiative targeted specifically to gifted and talented students. The president’s budget does not propose funding for the Javits program, a serious disservice to high ability students in every school across the nation. Elimination of this program severely impedes best practices research, efforts to develop interventions to increase the number of disadvantaged students performing at advanced levels, and efforts to close the achievement gap among students at the highest levels of academic attainment.

Program Need

The federal government should not turn its back on gifted and talented education. The Javits program is the only federally funded national effort that helps create evidence-based research on best practices. This research informs educators about how best and most effectively to serve students with gifts and talents. The Javits program requires at least $20 million to help States expand their capacity to provide services that gifted students, especially those from disadvantaged backgrounds, need to realize their full potential. While a significant increase in funding is necessary to ensure students with gifts and talents have access to the instruction they need, $20 million at least would allow between 10 and 15 States based on their specific needs to implement innovative approaches. As States cut funding even further and as the United States continues to fall behind on important international indicators of excellence, this investment is more critical than ever.

Contact Information

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Foreign Language Assistance Program

**Title V, Part D, Subpart 9, Elementary and Secondary Education Act**

*During the last grant cycle the Montville School District (NJ) received a Foreign Language Assistance Program (FLAP) grant to improve and expand its Chinese Language Program from middle to high school by implementing an articulated course of study in Mandarin. The goal of the program is to prepare students to succeed socially and economically in today’s multilingual world. Students are provided with strong communication skills in Chinese and an understanding of Chinese culture so they can be globally competent and interact successfully with Chinese speaking people.*

**Description**

The Foreign Language Assistance Program (FLAP) provides three-year grants to establish, improve, or expand innovative elementary and secondary foreign language programs. FLAP also provides grants to State departments of education to improve foreign language instruction and develop State foreign language standards and assessments, provide professional development, and implement distance learning programs. Congress historically has set aside approximately 30 percent of FLAP funds for grants to school districts that partner with institutions of higher education to establish or expand the study of languages deemed critical to national security. Before funding was eliminated in FY 2012 the U.S. Department of Education annually funded 25 to 35 grants.

**Funding History (in millions)**

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* Funding for this program would be consolidated into the proposed “Effective Teaching and Learning for a Well-Rounded Education” program.

**Impact of President’s Budget**

The president’s budget for the third consecutive year would not fund the Foreign Language Assistance Program (FLAP). This program would be consolidated with six other programs into a proposed “Effective Teaching and Learning for a Well-Rounded Education” program. Consolidating FLAP would eliminate the only dedicated federal funding stream that supports K-12 foreign language programs in critical languages such as Arabic, Hindi, Mandarin, Russian, and Spanish. This would leave these programs dependent upon State and local support, which has been inconsistent in the past.

**Program Need**

Even though many magnet schools in urban and suburban areas support intensive language programs, only approximately 25 percent of elementary schools offer foreign language instruction and only half of American high school students receive one year of foreign language instruction. This is remarkably low compared to other industrialized nations. The National Academy of Sciences warns, “The pervasive lack of knowledge of foreign cultures and languages threatens the security of the United States as well as its ability to compete in the global marketplace and produce an informed citizenry.” Secretary of Education Arne Duncan echoed this sentiment in 2009 stating, “Communicating with our international neighbors promotes peace...these grants help strengthen both our national and economic security.”

**Contact Information**

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John Laughner  
Magnet Schools of America  
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Grants for State Assessment and Enhanced Assessment Instruments

Title VI, Part A, Elementary and Secondary Education Act

Description
These grants encourage and support State efforts to develop and implement high-quality standards and assessments to measure the academic achievement of all students. Continued federal support for these grants is particularly critical as States prepare to pilot new college- and career-ready digital assessments in School Year 2013-14 and fully implement these assessments in School Year 2014-15. These new assessments present increased upfront costs to many States, but will lead to long-term cost savings for the country.

Funding History (in millions)

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State Assessments
in millions

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Impact of President’s Budget

The president proposes to change the name of this program to Assessing Achievement. The program would provide formula and competitive funds to develop and implement assessments currently required under the Elementary and Secondary Education Act (ESEA). In addition, funds would be used to develop new instruments aligned to college- and career-ready standards with a focus on accurately measuring student growth, more reliably measuring teacher effectiveness, and helping teachers tailor instruction. Grantees also could use these funds to develop college- and career-ready standards and assessments in other subjects such as science or history. The proposed level of funding is inadequate to cover the costs of developing and administering high-quality assessment systems that capture a fuller picture of what students know and are able to do, including tests for English language learners and students with disabilities that reflect each student’s level of mastery.

Impact of Sequestration

A 5 percent cut to this program would result in a $20.3 million reduction in available funding. Diminished federal support for quality assessment practices will limit the implementation of high-quality assessments and supports necessary to properly measure student learning.

Program Need

Preserving and expanding this grant program is necessary so States can support costly assessments required under current law as well as the transition to new college- and career-ready standards and assessments. In past years, appropriation levels for this program have reached only a fraction of what is needed. The Brookings Institution recently estimated States spend approximately $1.7 billion for assessments annually, and current assessments generally do not adequately measure higher-order thinking skills. The $350 million Race to the Top set-aside for consortium assessments aligned to Common Core State Standards will only support the initial development of new assessments and will not adequately support State implementation or continuous improvement of the assessments.

Contact Information

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Title VII-B, McKinney-Vento Homeless Assistance Act

“Five years ago, when I left the private sector to work for the school district, I had no idea there were so many homeless children nor did I know there was a way to help them. As I collected the data, the impact of those numbers astounded me, and they only reflected the hundreds of homeless children in my school district! The more I knew, the more I had to know and I started asking more questions—becoming more involved. Three years ago, my boss gave me the job of District Homeless Education Facilitator. I know I make a difference for my students every single day. My district has approximately 19,000 students. I serve approximately 850 homeless children per year. If I have done something every day for a homeless child, I know I’ll sleep well that night: Help homeless students succeed at school and inform the public about child homelessness.”

--Homeless Education Facilitator (Courtesy of the National Association for the Education of Homeless Children and Youth)

Description

The Education for Homeless Children and Youth Program is the education title of the McKinney-Vento Homeless Assistance Act. Under this program, school districts permit students who become homeless to stay at their school of origin by providing transportation each day, even if they move away because of their housing situation. Additionally because keeping track of homeless students’ education records is so difficult, McKinney-Vento allows students to enroll in school immediately with or without the records normally required. Funding from McKinney-Vento also supports State coordinators and homeless assistance liaisons in school districts to help identify homeless students, assist them with school enrollment, and coordinate support services.

Funding History (In millions)

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<tr>
<td>Impact</td>
<td>$65.17</td>
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</table>

Impact of President’s Budget

Despite increasing need, funding for the Education for Homeless Children and Youth program was relatively flat in FY 2011 and FY 2012. In addition, FY 2013 saw a significant decline due to automatic spending cuts. According to a report by the National Center on Family Homelessness, there are more than 1.6 million children who are homeless in a year, which translates to more than 30,000 children each week and more than 4,400 each day. President Obama’s FY 2014 budget request would be an increase over the FY 2013 funding level. However, the proposed funding level is still not sufficient for schools and teachers to respond to the epic problem of child homelessness, making it harder for school districts to meet the educational and health needs of this population.

Impact of Sequestration

Education for Homeless Children and Youth funding was subject to the sequester and was cut by $3.4 million. This initiative already lacked adequate funding to provide assistance to the over 1.6 million homeless children, and the additional sequester cut will further reduce the ability of teachers and education officials to do so. Such a deep cut in funding would diminish the capacity of local liaisons to reach a larger share of this vulnerable group of students. This means it will be harder to identify homeless children and enroll and support them in school, which could lead to a decline in graduation rates and future economic problems for homeless students.

Program Need

This program helps to mitigate some of the negative consequences of homelessness for children. According to the National Center on Family Homelessness, homeless children are four times as likely as other children to be sick, twice as likely to repeat a grade, four times as likely to have developmental delays, and twice as likely to have learning disabilities. The stability provided by McKinney-Vento helps to prevent homeless students from falling behind in their schoolwork, despite the instability they experience outside of school. Students can receive services such as tutoring or other instructional support, referrals for health services, transportation, clothing, and school supplies.

Contact Information

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**Rural Education Achievement Program**

**Title VI Part B, Elementary and Secondary Education Act**

Bristol Bay Borough School District (Alaska) is located almost 300 miles from Anchorage without a road connecting its communities to any other. The small rural district serves approximately 140 students in pre-K to grade 12. The Rural Education Achievement Program (REAP) has enabled the school district to be a leader in the use of technology, furthering the connection between the school and the local heritage and culture. As enrollment and revenues have declined, Bristol Bay has partnered with neighboring districts and used online resources to ensure students continue to have access to the most comprehensive education programming. These efforts also help staff members receive cost-effective quality professional development. REAP provides vital funding not otherwise available to help the school, and all funds go directly to the classroom. Funds support field trips and summer programs that engage the expertise and knowledge of local elders and scientists. Without these funds, many of the cultural activities provided to students would not be possible. Being able to directly access REAP dollars relieves the district from the paperwork normally accompanying other federal programs. The Bristol Bay Borough School District believes this program must be retained in its present form to help it and other rural schools continue to make a difference in the lives of so many children. REAP makes a difference in Bristol Bay every day.

**Description**

The Rural Education Achievement Program (REAP) assists small and low-income rural districts raise student achievement where factors such as geographic isolation, poverty, and small enrollment might adversely impact the overall operation of the district. REAP is divided into two separate programs: the Small and Rural Schools Achievement Program and the Rural and Low-Income Schools Program.

**Funding History (in millions)**

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<tr>
<th>FY 2012</th>
<th>FY 2013</th>
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<td>$179.19</td>
<td>$169.84</td>
<td>$179.19</td>
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**Impact of President’s Budget**

The president proposes to freeze REAP funding at $179.19 million, well below the authorized $300 million.

**Impact of Sequestration**

The 5 percent sequestration cut would reduce funding for REAP by $9.4 million to a level below FY 2005. This reversal in the federal funding trajectory would be extremely troubling especially in the nation’s rural schools, as new federal dollars continue to be directed to competitive programs for which rural schools lack the capacity to apply. Created in recognition of the unique challenges rural schools face in finding adequate resources, REAP plays a crucial role in improving student achievement. REAP currently serves 5,992 districts and 717,000 more students than it did in 2008. The cuts from sequestration would undermine the progress of this successful program.

**Program Need**

REAP must remain a formula-driven program. Funding REAP at an increase of $81 million for a total of $250 million would help rural districts overcome the additional costs associated with geographic isolation, a smaller number of students, higher transportation and employee benefit costs, and greater poverty. An increase in REAP funding would help offset not only the impact of formula cuts for small rural districts, but also the impacts of the increased emphasis on competitive grants in federal education funding.
Contact Information

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Comprehensive Centers

Title II, Education Sciences Reform Act

The Great Lakes East Comprehensive Center at the American Institutes for Research worked with the Indiana Department of Education to develop and provide technical assistance to 224 schools and districts in various levels of improvement under No Child Left Behind. Great Lakes East provided a review of the research on high-poverty high-performing schools and districts that led to a theory of action which informed all supports the State provided to its schools and districts. Based on the theory, the supports focused on curriculum, instruction, assessments and classroom data, and leadership. The State along with Great Lakes East trained 1,451 educators and administrators from approximately 200 districts in the use of research and best practices to develop and implement their school/district improvement plans.

Description

The Comprehensive Centers provide intensive technical assistance which increases State capacity to assist districts and schools in meeting student achievement goals. Fifteen regional centers provide services primarily to State departments of education, enabling them to assist school districts and schools, especially low performing schools. At a minimum each regional center provides training and technical assistance in the implementation and administration of programs authorized under the Elementary and Secondary Education Act (ESEA) and in the use of research-based information and strategies. In addition to the regional centers, there are seven content centers which focus on specific areas of expertise (Building State Capacity and Productivity; College and Career Readiness and Success; Enhancing Early Learning Outcomes; Great Teachers and Leaders; Innovations in Learning; School Turnaround; and Standards and Assessments Implementation). These centers supply research-based information and products in their specific content areas that regional centers use when working with State departments of education.

Funding History (in millions)

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<th>FY 2012</th>
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<td>$51.11</td>
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Impact of President’s Budget

Education research and technical assistance in general and the Centers in particular have not received the funding required from the federal government for far too long. In fact, this is the fourth consecutive year in which the Centers’ funding is frozen in the budget request. This problem is compounded by the dire fiscal straits facing many State departments of education, as well as their new responsibilities under federal initiatives such as Race to the Top and ESEA State waivers.

Impact of Sequestration

Additional reductions in the Comprehensive Centers’ budget would further constrain the program’s scope of work and seriously limit the Centers’ ability to help States build capacity to assist schools to improve. The number of schools needing assistance increases each year, while funding is slowly eroding.

Program Need

With States desperate to find ways to help more than 10,000 schools in need of improvement, the need for high quality education research and development has never been greater. Increased investments in the Comprehensive Centers program will enable the content centers to deepen their focus on critical improvement problems and research-based solutions in key topic areas and the regional centers to help States respond to the increased demand for turning around low performing schools. An independent evaluation of the operation of the program released in 2011 ([http://ies.ed.gov/ncee/pubs/20114031/pdf/20114032.pdf](http://ies.ed.gov/ncee/pubs/20114031/pdf/20114032.pdf)) found Comprehensive Center operations helped to build State capacity and provided materials and assistance that were of high quality, relevance, and usefulness. In fact, State education departments often wanted more support than Centers were able to provide. The 2014 request would support third-year awards to the current centers as well as an evaluation of the centers.

Contact Information

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Indian Student Education

Title VII Part A, Elementary and Secondary Education Act

The Toppenish School District in Washington State will continue to use Title VII funding to enrich classroom studies with a focus on culturally and linguistically based approaches that link student learning to effective instruction. The district’s Title VII Indian Parent Committee recognizes the value of volunteering and engaging the entire community to build support for all students. Toppenish has experienced significant gains in standardized tests, but most important has seen a decrease in absenteeism and greater high school completion rates through the infusion of culturally based education. “It’s [my culture] where I get my strength,” said a student. “The dances take dedication, hard work, a lot of thinking, as well as physical strength. It’s just like school.”

Description

Title VII supports local school districts, Indian tribes and organizations, postsecondary institutions, and other entities to meet the unique educational and culturally related needs of American Indian and Alaska Native students, so students can meet the same challenging State student academic achievement standards as all other students.

Funding History (in millions)

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Impact of the President’s Budget

Unfortunately when faced with tough budgetary decisions, policymakers and elected officials often target education and other social welfare budgets that require more long-term investments. In fact, Native youth and families are often the hardest hit by these cuts. As a result schools in Indian Country face inadequate federal support which leads to a lack of support services, staff shortages, and dilapidated facilities. The federal government must fulfill its trust obligation to provide a quality education for American Indians and Alaska Native people.

Impact of Sequestration

A 5 percent cut would mean already underfunded schools will no longer have access to services that allow them to thrive in environments that support their cultural identities. Schools will lose important resources that are proving to close the achievement gap for Native students.

Program Need

It is well documented that Native students are more likely to thrive in environments that support their cultural identities. Title VII has produced many success stories, but increased funding is needed to close the achievement gaps for Native students and to ensure continued support for Native cultures and language education.

Contact Information

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Race to the Top

American Recovery and Reinvestment Act of 2009 (ARRA)

Description

Race to the Top (RTTT) provides funds to States and school districts on a competitive basis to support education reforms in four key areas:

- Adopting standards and assessments that prepare students to succeed in college and the workplace and to compete in the global economy.
- Building data systems that measure student growth and success and inform teachers and principals about how they can improve instruction.
- Recruiting, developing, rewarding, and retaining effective teachers and principals, especially where they are needed most.
- Turning around our lowest-achieving schools.

Funding History (in millions)

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<tr>
<th></th>
<th>FY 2012</th>
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<tr>
<td></td>
<td>$548.96</td>
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Impact of President’s Budget

In FY 2014, the Administration is requesting $1 billion for a new Race To The Top–College Affordability and Completion grant competition. New funding would provide incentives for systemic higher education reforms and innovations by States focused on improving affordability, access, completion, quality, student outcomes, and institutional capacity. The U.S. Department of Education anticipates awarding as many as 10 State grants.
Impact of Sequestration
A 5 percent cut to Race to the Top would mean a loss of $29 million, reducing the ability of the U.S. Department of Education to provide additional grants to States and districts to support investment in new reform initiatives in 2013.

Program Need
The Race To The Top program, first authorized under the American Recovery and Reinvestment Act, is somewhat unique among federal education grants which traditionally focus on services for a particular group of at-risk students or address a particular problem in education. Instead, Race To The Top grants provide a fairly flexible infusion of funds to initiate or carry out reforms in the design and delivery of education at the State and local levels. After four years of recession-related reductions in State and local school revenue, Race To The Top funding supports reforms in curriculum, instruction, teacher and principal accountability, and school turnarounds that could not otherwise be underwritten by States and local school districts.

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Investing in Innovation

Title XIV, American Recovery and Reinvestment Act of 2009 (ARRA)

Description
The Investing in Innovation (I3) initiative provides grants to expand and develop innovative practices related to improving student achievement or student growth. Applicants include local school districts and nonprofit organizations working in partnership with one or more districts. Applicants can work in partnership with the philanthropic community and the private sector.

Funding History (in millions)

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<tr>
<td></td>
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Impact of President’s Budget
The president’s budget provides a significant increase for the I3 program ($65.6 million) over FY 2012. The overall request would allow for additional applicants to this program originally funded through the American Recovery and Reinvestment Act. Priority may be given to projects proposing to improve early learning outcomes; improve student attainment in science, technology, engineering, and mathematics (STEM); and, increase productivity. In addition, the request would support the Advanced Research Projects Agency-Education (ARPA-ED).
Impact of Sequestration
This program will experience a cut of $7.82 million under sequestration, significantly reducing the number and/or size of grants available to grantees.

Program Need
At a time when economic recovery is slow and negatively impacting education funding at the State and local levels, one role the federal government can play is to support best practices. The i3 program allows for innovators to attempt creative approaches to improving student achievement and outcomes and develop models of best practices. However, nurturing innovation must be balanced with the primary role of the federal government in education which is supporting disadvantaged students.

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Teacher Incentive Fund

Title V, Part D, Elementary and Secondary Education Act

In 2012, the Los Angeles Unified School District (LAUSD) received a Teacher Incentive Fund (TIF) grant to serve 40 high-need schools and reach their goal of 100 percent ‘effective’ teachers and school leaders in LAUSD schools. Using TIF dollars LAUSD will continue to fully develop and implement its local district-wide multiple measure evaluation system which includes an enhanced compensation structure based on principal and teacher effectiveness in the district’s highest need schools. LAUSD is leveraging its TIF investment to increase the number of effective teachers in high-need schools by awarding a $20,000 recruitment bonus for up to 80 effective or highly effective STEM and special education educators who agree to serve in those communities.

Description
Teacher Incentive Fund (TIF) grants support efforts to develop and implement performance-based teacher and leader compensation systems in high-need schools and districts. The goals of this discretionary grant program are to improve student achievement through increased teacher and leader effectiveness, implement reforms to reward teachers and leaders for increased student achievement, improve the distribution of effective teachers in underserved communities and subject areas, and encourage the creation of sustainable performance-based compensation systems.

Funding History (in millions)

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<td></td>
<td>$299.43</td>
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*Funding would be consolidated under the proposed “Teacher and Leader Innovation Fund.”

Impact of President’s Budget
The Teacher Incentive Fund is proposed for consolidation in the president’s FY 2014 budget request. The activities supported by TIF would continue to be supported by the proposed $400 million Teacher and Leader Innovation Fund with the goal to “transform teacher and leader evaluation and compensation to reward strong teaching and support improvement.” Although consolidated, the program goals of TIF are closely aligned with those of the proposed Teacher and Leader Innovation Fund.
Impact of Sequestration
Sequestration would reduce the program by approximately $16 million, resulting in the direct impact on and potential reduction of 10 to 50 grants. Sequestration also constrains the U.S. Department of Education’s ability to make new grants and, as such, will slow the pace of innovation in an area of great need.

Program Need
The Teacher Incentive Fund grants assist district and school level leadership in implementing reforms to boost student achievement through improved instruction, with special emphasis on disadvantaged populations. Maintaining federal investment in TIF is critical to furthering State and local efforts to narrow achievement gaps and improve educational equity and opportunity for all students. It is widely assumed the activities and goals of TIF would continue through realization of the proposed Teacher and Leader Innovation Fund.

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Transition to Teaching

Title II, Elementary and Secondary Education Act

Grace L. Anderson-Webb, a nominee for the National Association for Alternative Certification Outstanding Intern Award, shares her thoughts about the New Vistas Teaching Project at William Paterson University, in partnership with Kean University:

“I would have never imagined that I could have been better prepared as an alternate route teacher, if I had not been a part of the New Vistas Teaching Project. The federal grant that established this partnership for teaching programs was the capstone in my journey through teaching and the critical element that made my success as a new teacher a very rewarding experience. The program, its professors, the recruiters, and the students who were my peers in the cohort, as well as the actual hands-on experience that I received as a result of classroom observations, totally prepared me to be an effective teacher. My transition to teaching, after almost 25 years in corporate America as a mid-level executive was extremely smooth and quite uneventful as a result of having received solid training and a variety of tools needed for my teaching toolbox.”

Description
Transition to Teaching is a grant program that helps recruit and prepare mid-career professionals and recent college graduates to work as teachers in high-need schools.

Funding History (in millions)

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* Funding would be consolidated under the proposed “Effective Teachers and Leaders State Grants.”

Impact of President’s Budget
Funding for Transition to Teaching is eliminated and replaced with the proposed Effective Teachers and Leaders State Grants, a consolidation of a number of the U.S. Department of Education’s smaller grant programs. It will be difficult to determine what amount from the Effective Teachers and Leaders State Grants will be spent on recruiting and preparing mid-career professionals. The downward trend in funding for this program over the past several years has resulted in fewer grants at a time when the need for recruiting and training qualified teachers is acute. Programs such as Transition to Teaching and others that support the preparation and recruitment of teachers are severely underfunded.

Impact of Sequestration
The sequester has resulted in a reduction of $1.4 million for this program. Because this program was already cut in half in FY 2012, it can ill afford further reductions. There are already fewer grants available at a time when there is a great need for recruiting and training qualified teachers who will remain in the classroom.

Program Need
The consolidation of this program means fewer grants at a time when teacher shortages are increasing, especially in high-need schools. This program provides dedicated funding for career-changers to enter the teaching profession classroom-ready. The elimination of this program sends the wrong message. This program should continue to have a dedicated funding stream.

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School Leadership

Title II, Elementary and Secondary Education Act

School Leadership Program Grants support initiatives that address the leadership needs of the New York City Department of Education school leaders. The Executive Leadership Institute is a sub-contractor that offers program development and strategic support to principals and aspiring principals. The program provides school leaders hands-on relevant training and meaningful workshops that give real time feedback on observations and useful interactions with other principals and aspiring principals.

Description

The School Leadership program offers competitive grants to help districts in high-need areas recruit and retain principals and assistant principals. Grants may be used to offer financial incentives for aspiring new principals, provide stipends to principals who mentor new principals, and carry out professional development programs in instructional leadership and management.

Funding History (in millions)

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Impact of President’s Budget
This program historically receives many more grant applications than can be funded. The additional funds proposed would help meet that demand and greatly assist in training highly effective leaders in high-need schools and districts. As the instructional leader of a school, the principal plays a unique and important role in implementing reform and creating a climate that fosters excellence in teaching and learning. In today’s achievement-focused atmosphere, the stewardship provided by the school principal is even more crucial.

Impact of Sequestration
A 5 percent cut would result in a loss of $1.5 million in funding for school leadership grants. This drastic cut would severely limit efforts by States and districts to provide leadership training and recruitment of school leaders and hamper progress on school reforms. This cut would also come at a time when States are struggling with budget shortfalls and slashing their education budgets. This could result in significant job loss and be harmful to continued economic recovery efforts.

Program Need
The School Leadership program is the only federal initiative that directly addresses the difficulty of attracting and retaining high-quality candidates to positions as principals in high-need districts. Although there is an allowable use of ESEA-Title II funds for principal training, this funding has not been effective in ensuring principals are included in ongoing professional development and mentoring activities.

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Charter Schools

Title V, Elementary and Secondary Education Act
Description
Charter schools are publicly funded nonsectarian public schools. Charter schools provide additional educational options to parents and can allow for greater innovation in educational programming. Charter schools can be a part of the local school district or treated as a separate district.

Funding History (in millions)

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<tr>
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* Funding would be consolidated under the proposed “Expanding Educational Options” program.*

Impact of President’s Budget
The president’s budget request would remove the specific funding stream for charter schools. Instead the budget calls for a new program, “Expanding Educational Options.” While this new program is proposed to have an increased level of funding ($294.84) over the amount provided for the current charter school program in FY 2012, the result could be less funding for charters as the new program funds could be used for other public school choice options.
Charter Schools Grants
in millions

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The President’s FY 14 Budget proposes to replace the Charter Schools program with a new Expanding Educational Options program funded at $295 million.

**Impact of Sequestration**

This program will experience a cut of $13.33 million under sequestration from FY 2012, which will impact attempts to create and scale up effective charter schools.

**Program Need**

Charter schools enroll a small percentage of the nation’s students and are one component of the public school system. Any funding increase for charter schools should be accompanied by increased support for all public schools.

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Magnet Schools Assistance Program

Title V, Elementary and Secondary Education Act

The Champaign Community Unit School District 4 located in east central Illinois received a three-year Magnet Schools Assistance Program (MSAP) grant to create a Science, Technology, Engineering, and Mathematics (STEM) Academy, International Baccalaureate Primary Years Programme (PYP), and a MicroSociety learning community at three of its elementary schools. Utilizing inquiry-based and project-based learning this initiative is designed to promote diversity, academic achievement, and quality instruction. “The most exciting component of the MSAP grant has been strategically planned professional development focused on building the capacity of our instructional and administrative staff, with an emphasis on increasing student engagement and culturally responsive practice,” says Cheryl Camacho, Director of Magnet Programs for the Champaign Community Unit School District 4.

Description

The Magnet Schools Assistance Program (MSAP) provides grants to local school districts to establish, operate, or improve magnet schools that are under a court-ordered or a federally approved voluntary desegregation plan. Projects support the development and design of innovative education methods and practices that promote diversity and increase choices in public education programs. MSAP supports professional development and other activities that will enable the continued operation of magnet schools at a high performance level. It also supports the implementation of rigorous curricula in magnet schools that strengthen students’ knowledge of academic subjects and their grasp of tangible and marketable career skills.

Funding History (in millions)

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<td>$96.71</td>
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![Graph of Magnet Schools Funding History](image-url)
Impact of President's Budget

The president’s FY 2014 budget acknowledges the demand and success of magnet schools by restoring $2.9 million that was reprogrammed from the Magnet Schools Assistance Program in FY 2012. The U.S. Department of Education is reviewing grant applications for a new three-year grant cycle that will support more than 40 school districts. This year’s competition will give priority to applicants creating Science, Technology, Engineering, and Mathematics (STEM) programs, using methods other than academic examinations – such as a lottery – for school admission, and that did not receive a MSAP grant during the last competition.

Impact of Sequestration

The Magnet Schools Assistance Program was cut by $5.1 million in FY 2013 due to sequestration. This reduction in funds will limit the number of grants and size of awards given to a new cohort of grantees this year. Ultimately fewer school districts seeking federal assistance to reduce school segregation and raise academic achievement in high needs schools will be able to benefit from this program. In the long run, this limits their ability to provide high quality school choices to students and families.

Program Need

Despite strong evidence demonstrating the benefits of attending racially diverse magnet schools, the nation’s schools remain largely segregated by both race and class. While school segregation persists, minority and low-income students are faced with very few options and extremely limited access to high performing schools and pathways to prosperity. As a form of public school choice, magnet schools serve as incubators of innovation, increasing access to opportunities in the arts, business and finance, world languages, STEM, and International Baccalaureate and college preparatory programs. During the last three-year grant cycle (2010-13) funds were provided to 38 school districts in 17 states, a reduction of almost 20 percent from the previous grant competition. Further investment in MSAP will allow additional school districts to participate in this highly competitive program and increase the number of students attending racially and socioeconomically diverse magnet schools.

Contact Information

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Title I, Part G, Elementary and Secondary Education Act

Derrick Simmons, a 2010 graduate of Pflugerville High School in Texas, benefited from access to Advanced Placement (AP) courses and exam waivers, thanks to the AP Incentive and Test Fee Programs. An AP Incentive Program grant allowed his high school to increase the number of AP courses it offered, and Derrick took eight AP Exams in a variety of subjects. Derrick’s scores earned him the distinction of AP Scholar with Honor, one of the very few African-American males in the country to do so. Derrick is now a junior at Howard University in Washington, D.C., pursuing a major in mathematics. His successful completion of AP Exams largely influenced the direction of his studies and saved him approximately $20,000 in tuition.

Description

The AP Test Fee and Incentive Programs provide funds for low-income students to take Advanced Placement (AP) and International Baccalaureate (IB) exams. The initiatives provide competitive grants to States and local school districts to support teacher professional development and other programs that make Pre-Advanced Placement and Advanced Placement courses more widely available to low-income students. AP and IB programs increase the rigor of high school curricula and offer a proven avenue to postsecondary success while significantly reducing the cost since college credits are awarded for successful exam scores. Since the programs’ inception just over 10 years ago, the number of AP Exams taken by low-income students has increased significantly, from 82,000 exams in 1999 to more than 610,000 exams in 2012.

Funding History (in millions)

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<th>FY 2012</th>
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<tr>
<td></td>
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*Funding would be consolidated under the proposed “College Pathways/Accelerated Learning” program.

Impact of President’s Budget

The president’s FY 2014 budget request consolidates the AP Test Fee and Incentive Programs and the High School Graduation Initiative into a new category called “College Pathways and Accelerated Learning,” with a total request of $102.2 million. In FY2013 these programs together received $74.9 million.

Impact of Sequestration

The impact of sequestration on this program is significant. The AP Programs, which were already cut by $13 million in FY 2012, were further reduced in FY 2013. As a result there were not enough funds to fully cover AP and IB Exam fees for low-income students, and there were no funds to continue the AP Incentive Program.

Program Need

The AP Test Fee and Incentive Programs should be maintained as separate grant programs with a funding level of $46 million. This would ensure sufficient funds dedicated to AP Test Fee exams for low-income students and the support of professional development for AP and Pre-AP teachers in high-need schools.

Contact Information

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Title II, Section 2431, Elementary and Secondary Education Act

Two major studies found that when Ready To Learn video, online, and print materials were combined with teacher training, lesson planning, and classroom instruction, children from low-income backgrounds made such rapid growth in reading that the achievement gap was narrowed or closed between them and middle-class students.

Description

Ready To Learn is a competitive grant program funding the research and development of high-quality, scientifically-based, multi-media, educational content that can be used at home and in the classroom to improve literacy and STEM achievement for children aged two through eight. This content is available for free to children nationwide with a particular focus on those from low-income families. Ready To Learn grants are a critical part of developing public television’s cutting-edge educational programs and content that have been proven to help prepare children for success in school. Ready To Learn has contributed to the development of groundbreaking content for educational children’s programming such as Sesame Street and Clifford the Big Red Dog.

Funding History (in millions)

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* Funding would be consolidated under the proposed “Effective Teaching and Learning: Literacy” program.

Impact of President’s Budget

The president’s proposal to eliminate dedicated funding for Ready To Learn jeopardizes the ability of local public television stations to meet the literacy and STEM needs of educators and learners. The consolidation would deprive numerous low-income and underserved communities of the high-quality programming, materials, and proven on-the-ground outreach they desperately need. Public television program developers and local stations are the only entities that can develop this type of groundbreaking educational content and deliver it to every American home for free. Furthermore, the president’s proposal ignores the years of trust, reach, and proven results public television stations have built, in addition to Congress’s significant investment in the program. Without funding for this program, grantees would not be able to create the educational programming that American families rely on, such as Sesame Street, SUPER WHY!, and Between The Lions, all of which are beneficiaries of this program.

Impact of Sequestration

Sequestration has caused a deep cut in Ready To Learn funding during the third year of the program’s five-year grant cycle. This disruption in funding could negatively impact the development of educational programming and materials being generated by the current grantees.

Program Need

Research has shown that children who start school behind stay behind. It is critical to ensure all children are ready to learn when they enter school. The Ready To Learn grant program provides children with access to free and trusted educational content on television and mobile devices and online that will help them be successful in school. Ready To Learn serves all children in the country, with a particular focus on children in low-income and underserved communities. These children are reached through high-quality programming, materials, and proven on-the-ground outreach that is desperately needed to improve early literacy and STEM achievement. Ready To Learn resources are targeted to families and communities that need them the most, ensuring children are exposed to high-quality educational content. Funding for this program has created scientifically-researched award-winning programming that has been proven to help close the achievement gap.

Contact Information

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Title V, Part D, Subpart 15, Section 5551, Elementary and Secondary Education Act

At Springville K-8 School in Portland, Oregon, instead of focusing on separate subjects students head off on "learning expeditions"—big units of study that merge art, science, and social studies. “Our goal is to embed high-quality products and the character trait of perseverance in our school culture,” said principal Cheryl Ames. At many schools, students make a picture or write a poem and move on. By contrast, Springville students are expected to evaluate and refine their work until it is the best it can possibly be. “It is only when students learn how to evaluate their work and use the feedback from others that they enhance and improve their work,” said Ames.

Description

The Arts in Education program authorizes competitive and noncompetitive awards to strengthen arts programs and integrate them into core curricula. Competitive awards are used to create and develop material for integrating a range of arts disciplines, including music, dance, theater, and visual arts, into elementary and middle school curricula. The program supports the enhancement, expansion, documentation, evaluation, and dissemination of innovative models that demonstrate effectiveness in integration, instruction and student academic performance in the arts. The program also authorizes noncompetitive awards to Very Special Arts, encouraging the involvement and greater awareness of the arts for persons with disabilities, and to the John F. Kennedy Center for the Performing Arts for arts education programs serving children and youth.

Funding History (in millions)

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*Funds would be consolidated under the proposed “Effective Teaching and Learning for a Well-Rounded Education” initiative.

Impact of President’s Budget

The president’s FY 2014 budget proposal includes $75 million for the Effective Teaching and Learning for a Well-Rounded Education program, subsuming the current Arts in Education program. States and school districts are given the flexibility to determine how funds are used to support core academic subjects and develop strategies to best meet their needs. As a small piece of a much broader competitive program, there will be limited funding for arts education and integration. Further, the lack of any new funding and the broad programmatic structure limit the ability to target arts integration resources.

Impact of Sequestration

This program already is significantly underfunded. Any additional cuts to the program are harmful, as it is the only federal program specifically supporting integration of the arts into education.

Program Need

An appropriation of $53 million for the Arts in Education program would support additional competitive grants to improve arts learning, and findings from model projects may be more widely disseminated. Arts in Education funds provide unique federal support for professional development for arts educators, evaluation and national dissemination, and ongoing national arts education integration initiatives.

Contact Information

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Safe and Drug-Free Schools and Communities

Title IV, Part A, Elementary and Secondary Education Act

The Escondido Union School District established the CARE Youth Project employing a multidisciplinary School Comprehensive Student Assistance Team (CSAT). During the school year, absenteeism decreased 39 percent, and violence-related suspensions decreased 71 percent at the middle school level and by 80 percent at the elementary level. In addition, 11 percent more students reported feeling connected to school.

Description

The Safe and Drug-Free Schools and Communities Act (SDFSCA) currently includes a national discretionary grant program and funds for national programs focused on drug, violence, and hate crime prevention and school-based mental health services. Funds are used for State and local drug and violence prevention activities in grades K-12 and in institutions of higher education. Activities may be carried out by States and local school districts and by other public and private non-profit organizations.

Funding History (in millions)

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* Funding would be consolidated into the proposed “Successful, Safe, and Healthy Students” program.

Impact of President’s Budget

The president’s budget proposes to eliminate funding for specific programs under Title IV, Part A, combining them into a new initiative, “Successful, Safe and Healthy Students.” The new program would include $280 million to cover the national activities under the original SDFSCA and the Physical Education and the Elementary and Secondary School Counseling programs. The overall impact of this budget proposal would be significant. Without congressional action on a reauthorization of the Elementary and Secondary Education Act, these programs have been eliminated despite the fact no other similar federal programs are currently authorized or funded. With no dedicated funding available to States and local school districts to address these student needs, schools will have an increasingly difficult time maintaining current safety and prevention programs. Funds allocated for FY 2013 are available only to continue current grants. If the president’s proposal is adopted, this critical program targeting improved school climate through mental health services and prevention would be eliminated.

Impact of Sequestration

In addition to the continued cuts and grant eliminations, sequestration would result in further reductions to States and school districts for critical prevention services. With no other funding source for school violence prevention initiatives, school districts are typically directed to use Title I funds, already stretched thin and slated for further reduction through sequestration.

Program Need

States and school districts annually pay billions of dollars through local and State funding to address the results of substance abuse, school violence, and unaddressed mental health needs. In turn, our schools and our nation pay additional costs in truancy, school dropout, and diminished academic success when these issues are not addressed. As such, the SDFSCA represents an important federal investment in successful prevention and intervention efforts. In order to ensure school districts are able to provide an appropriate level of support and safety for all students, funding for SDFSCA programs must be maintained and funded at no less than $750 million.

Contact Information

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(202) 421-3526 • libby@sswaa.org
Elementary and Secondary School Counseling Program

Title V, Part D, Subpart 2, Elementary and Secondary Education Act

Duvall County Public Schools in Jacksonville, Florida, used the Elementary and Secondary School Counseling Program (ESSCP) grant funds to increase counseling services at four elementary schools by hiring school counselors, school psychologists, and school social workers. This has allowed these schools to implement Project SELF – Social Emotional Learning Framework. They are using the Response to Intervention framework to deliver services to the total student body (2400 students). Tier 1 services and beyond have included delivering research-based curricula and providing much needed intensive counseling services in the areas of social skills and anger management.

Description

The Elementary and Secondary School Counseling Program (ESSCP) provides grants to school districts to establish or expand school counseling services. ESSCP is the only federal grant program providing funds to hire qualified school counselors, school social workers, and school psychologists. The goals of the program are to expand students’ access to counseling services and ultimately to increase academic achievement and improve the climate for learning by addressing barriers to learning.

Funding History (in millions)

<table>
<thead>
<tr>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>$52.30</td>
<td>$49.56</td>
<td>$0*</td>
</tr>
</tbody>
</table>

* Funding would be consolidated into the proposed “Successful, Safe, and Healthy Students” program.
Impact of President’s Budget

The FY 2014 budget request shifts the ESSCP to a consolidated competitive grant along with two other programs. This program has been growing steadily over the last several years in response to school districts’ needs to hire trained school-employed mental health professionals. Serious consideration must be given to whether program integrity can be maintained if this program is subsumed under a larger grant. It is unclear if the proposed consolidated program will prioritize the current ESSCP functions which would enable school districts to continue to enhance and expand critically needed counseling services, including the hiring of school-employed mental health professionals.

Impact of Sequestration

Sequestration has already reduced this small program by nearly $3 million which will result in a loss of new grants to numerous school districts in desperate need of these services. School buildings will feel this in the loss of school counselors, school psychologists, and/or school social workers. The more devastating outcome will be the loss of services for students that these specially trained school-employed counseling professionals provide.

Program Need

The U.S. Department of Education consistently receives 10 times more applications than available funds, and as a result, only solicits new grant applications every two years. This significant demand suggests a critical need to maintain and increase program funding. Since FY 2008, grant funds have been available for students in grades K-12. Expansion into secondary schools allows middle and high school students to receive counseling services to support them to graduate and become productive citizens. Maintaining the ESSCP as a single grant program and increasing funding to $75 million will allow funding for secondary schools at a similar level as for elementary schools.

Contact Information

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Promise Neighborhoods

Title XIV, American Recovery and Reinvestment Act of 2009 (ARRA)

The Charleston Promise Neighborhood, a nonprofit organization inspired by the Harlem Children’s Zone, is designed to create a continuum of prenatal-to-college services to break the cycle of poverty in the 5.6 square mile area of Charleston County, South Carolina. Through collaborative, multi-year funding from the cities of Charleston, North Charleston, Charleston County, the Charleston County School District, and philanthropic investors, the Charleston Promise Neighborhood has formed partnerships focused on improving parenting, education, employment, housing, healthcare, and community revitalization.

Description

The Promise Neighborhoods initiative uses a comprehensive approach to improve academic achievement and developmental outcomes of children and youth in our most distressed communities. These projects are designed to combat the effects of poverty and improve education and life outcomes from birth through college and career.

Funding History (in millions)

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2012</td>
<td>$59.89</td>
<td>$56.75</td>
<td>$300.00</td>
</tr>
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</table>
Impact of President’s Budget

The president’s budget requests a significant increase to $300 million for the Promise Neighborhoods initiative, an increase of $240 million over the FY 2012 level. This program supports high-need communities that combine cradle-to-career services for children and families with comprehensive reforms centered on high-quality schools. A portion of these funds will be targeted to designated Promise Zones—high-poverty communities where the federal government will engage with local leaders to help them access and coordinate the resources and expertise needed to create jobs, leverage private investment, increase economic activity, reduce violence, and improve educational opportunities. To further support Promise Zones, the budget includes companion investments of $400 million in the Department of Housing and Urban Development’s Choice Neighborhoods program and $35 million in the Department of Justice’s Byrne Criminal Justice Innovation Grants program, as well as tax incentives to promote investment and economic growth.

Impact of Sequestration

Sequestration cut FY 2013 funding for Promise Neighborhoods by $3.13 million, leaving the FY 2013 level at $56.75 million. This threatens the scale and sustainability of Promise Neighborhoods affiliated projects, which have funding cycles that draw from an anticipated amount and will now face less funding to maintain program quality and effectiveness.

Program Need

Research has demonstrated that out-of-school factors have a significant impact on student achievement and outcomes. Despite this evidence, there is no organized national effort to help schools address these issues. All communities that struggle with issues of high unemployment and low student achievement should receive the resources to create and implement initiatives like Promise Neighborhoods that aim to revitalize communities and to help break the cycle of intergenerational poverty.

Contact Information

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**Carol M. White Physical Education Program**

**Title V, Part D, Subpart 10, Elementary and Secondary Education Act**

“Through the PEP grant, our district has been able to transform physical education to reach all learners. Whether a child is confident and skillful or is embarrassed and shy about physical activity, our program has provided instruction that infuses technology, brings differentiated teaching, and provides individualized feedback and assessment to all students. The grant has motivated teachers to become students of their profession and reignited their passion for promoting healthy, active lifestyles for children.”

—Judy LoBianco, South Orange-Maplewood School District, NJ

**Description**

As the only federal program dedicated to addressing physical education for elementary and secondary school students, the Carol M. White Physical Education Program (PEP) provides grants to schools, districts, and community-based organizations to help students meet State physical education standards. It funds the initiation, expansion, or improvement of physical education programs, including curriculum, equipment, and professional development for physical educators. Research shows that students who are more physically active have higher academic performance. Physical education provides the instruction, motivation, and opportunity for students to be physically active. Unfortunately, the average annual expenditure on physical education programs is only $764 per school per year.

**Funding History (in millions)**

<table>
<thead>
<tr>
<th>Year</th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$78.69</td>
<td>$74.58</td>
<td>$0*</td>
</tr>
</tbody>
</table>

* Funding would be consolidated into the proposed “Successful, Safe and Healthy Students” program.

**Impact of President’s Budget**

The PEP program is the only federal education program designed to help students meet State physical education standards and is the only program within the U.S. Department of Education’s Office of Safe and Healthy Students that has a direct impact on students’ physical health. It has been a successful program since its inception in 2001. Despite attempts to eliminate the program, Congress has chosen to continue funding PEP, awarding more than 1,000 grants totaling around $700 million. Eliminating this dedicated funding stream as proposed in the president’s budget may result in the loss of the only federal investment in physical education and physical activity programs. This would be a grievous mistake as the country battles a childhood obesity epidemic and the exorbitant health care costs associated with it. Moreover, consolidating PEP with the other programs in the Successful, Safe, and Healthy Students initiative is inappropriate, as PEP addresses a school discipline essential to a comprehensive whole child approach to education.

**Impact of Sequestration**

The 5 percent reduction in PEP funds under sequestration may result in many fewer grants or potential cuts to current multi-year grantees that may be forced to reduce their planning and purchase commitments. Many programs could face elimination in the middle of implementation.

**Program Need**

At the current funding level of $74.58 million, the PEP program funds only 10 percent of the applications received by the Department of Education. Many of the grants are multi-year grants and require funding over two to three years. Although a significant increase in funding would serve thousands more students, maintaining at least the current level for FY 2014 would enable continued investments in physical education programs around the country, helping them become more relevant, accessible, and enjoyable.

**Contact Information**

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English Language Acquisition Grants

Title III, Subpart 1, Elementary and Secondary Education Act

The National Evaluation of Title III Implementation—Report on State and Local Implementation, commissioned by the U.S. Department of Education (2012), documents improvements in the organizational capacity of State departments of education and local school districts to meet the needs of English language learners (ELLs). School districts and States indicate Title III investments have led to increased awareness of the needs of ELLs and improved measurement and data systems to monitor ELL achievement. The study found that in 2009-10, 91 percent of the Title III districts had increased teacher professional development on ELL issues since September 2008.

Description

Language Acquisition Grants are provided on a formula basis to improve instructional programs for English language learners (ELLs). These grants help ensure students develop academic English and high levels of academic achievement to meet the same challenging State content and performance standards as their English proficient peers. The program assists States, school districts, and institutions of higher education in building capacity to more effectively teach ELL students, through efforts including upgrading curricula and providing teacher training opportunities.

Funding History (in millions)

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$732.14</td>
<td>$693.85</td>
<td>$732.14</td>
</tr>
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</table>

![Graph showing English Language Acquisition Funding History from FY 2002 to FY 2014 Budget]
Impact of President’s Budget

The president’s FY 2014 budget request restores funding to $732.14 million. Various sources ranging from the Migration Policy Institute to national studies of Title III implementation have estimated the ELL enrollment in K-12 to be between 4.7 and slightly over 5 million. In its report on Mega-States performance on NAEP (NCES 2013-450), the National Center for Education Statistics estimates the ELL enrollment in 2009-10 was 5.2 million. Using the NAEP estimate of 5.2 million, FY 2014 funding would provide about $140 per student. The president’s budget request freezes Title III funding at a time of continuing growth of ELL enrollment and increased instructional demands related to the Common Core State Standards. This request represents a serious erosion of funding to support instruction for ELLs.

Impact of Sequestration

A $38 million cut in FY 2013 reduces Title III funding to below $694 million, or $133 per student, for the 2013-14 school year. This funding level is only $44 million away from the trigger that was included in the 2001 reauthorization of the ESEA. If Title III funding levels drop below $650 million, funds must be allocated on a competitive basis to school districts.

Program Need

In 2011, the percentage of ELLs and non-ELLs scoring proficient and above on reading and math NAEP varied by only 1 or 2 percentage points from 2009 NAEP results. Achievement gaps persist in both reading and math at about 29 percentage points. NAEP Reading 2011 results show 7 percent of fourth grade ELLs scored proficient or above in reading compared to 36 percent of non-ELLs. For eighth grade Reading, 3 percent of ELLs scored proficient or above compared to 34 percent of non-ELLs. NAEP Mathematics 2011 results show 14 percent of fourth grade ELLs scored proficient or above compared to 43 percent of non-ELLs, while for eighth grade math 5 percent of ELLs scored proficient or above compared to 36 percent of non-ELLs. Districts across the nation are implementing Common Core State Standards, requiring major investments in professional development to ensure teachers know how to ensure ELLs have access to the new more rigorous standards. Title III funds will continue to provide important support for such investments.

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IDEA State Grants

Part B, Individuals with Disabilities Education Act (IDEA)

Adam spent most of his time in school believing he did not have much of a future. Severe dyslexia made reading such a challenge that he was unable to keep up with his schoolwork, and a lack of accommodations prevented him for demonstrating what he knew on assessments. He could barely read but hid his disability so well he was not diagnosed with a learning disability until he reached high school. Finally a teacher recognized his learning disability and recommended he receive educational supports and services under Part B of IDEA. Through use of technology and remedial assistance provided with Part B funds, Adam became an outstanding student, compiling a 3.75 grade point average by the time he graduated from high school. Adam attended college and graduated with honors. Since graduation, Adam has become the head of his own real estate investment company. He is also recognized across the country as an advocate for individuals with disabilities and encourages students to advocate on behalf of their own educational needs. Adam has facilitated workshops, delivered keynote presentations, and spoken to thousands of students, teachers, and service providers about his experiences.

Description

The IDEA State Grant program (Part B) was established to assist State and local school district efforts to educate children and youth with disabilities by implementing, expanding, and improving access to high quality special education and related services.

Funding History (in millions)

<table>
<thead>
<tr>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>$11,577.86</td>
<td>$10,974.87</td>
<td>$11,577.86</td>
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</tbody>
</table>
Impact of President’s Budget

The president’s proposed funding level for Part B would bring funding to the pre-sequestration level. If this proposal is enacted, it would mean States and local districts would not have to release more special education personnel, many of whom are supported with these federal funds. While this request is not close to the 40 percent full funding level promised by Congress when IDEA was first enacted in 1975, maintaining at least the current level is the only acceptable choice.

Impact of Sequestration

Sequestration reduces the funding level for IDEA-Part B by $603 million. The cut in federal support fails to provide meaningful federal assistance to States, especially given State and local budgets still have not recovered to their pre-recession levels. The sequestration cuts put States and local school districts in an untenable position. If they increase their funding levels to reduce the impact of the federal budget cuts, Maintenance of Effort (MOE) and Maintenance of State Financial Support (MSFS) provisions in IDEA will require them to maintain this increased level of funding, and they will not be able to reduce it if or when federal funding increases.

Program Need

The number of students with disabilities has slightly decreased in the past few years. Nevertheless, there are still approximately 6 million students who need extra support in school. The receipt of special education supports and services is a civil right, and the number of students who require assistance will not decrease because federal funding is cut. It is incumbent upon the federal government to help States and local districts meet the needs of these children. When IDEA was reauthorized in 2004, Congress included an incremental glide path to reach full federal funding. The shortfall between what IDEA 2004 promised and the impact of sequestration and the president’s budget proposal continues to defer the promise made to children and youth with disabilities and their families.

<table>
<thead>
<tr>
<th>Year</th>
<th>Funding Level (in millions)</th>
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<tr>
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</tr>
<tr>
<td>FY 2003</td>
<td>$6,000</td>
</tr>
<tr>
<td>FY 2004</td>
<td>$9,000</td>
</tr>
<tr>
<td>FY 2005</td>
<td>$12,000</td>
</tr>
<tr>
<td>FY 2006</td>
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<td>$12,000</td>
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<tr>
<td>FY 2010</td>
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<tr>
<td>FY 2011</td>
<td>$12,000</td>
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<tr>
<td>FY 2012</td>
<td>$12,000</td>
</tr>
<tr>
<td>FY 2013</td>
<td>$12,000</td>
</tr>
<tr>
<td>FY 2014</td>
<td>$12,000</td>
</tr>
</tbody>
</table>

Contact Information

Nancy Reder  
National Association of State Directors of Special Education  
(703) 519-1506 • nancy.reder@nasdse.org

Lindsay Jones  
The Council for Exceptional Children  
(703) 264-9403 • lindsayj@cec.sped.org

Deborah Ziegler  
The Council for Exceptional Children  
(703) 264-9406 • debz@cec.sped.org
**Special Education Grants to States (IDEA Part B-611)**

*President’s FY 2014 Budget Request*

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>FY 2013 (HR 933*)</th>
<th>FY 2013 Post-Sequester</th>
<th>FY 2014 Budget Request</th>
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<tr>
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<td>$11,577,855</td>
<td>$11,554,699</td>
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<tr>
<td>-0.2%</td>
<td>-5.2%</td>
<td>+5.5%</td>
<td>+0.2%</td>
<td>+0.0%</td>
</tr>
</tbody>
</table>

*Consolidated and Further Continuing Appropriations Act, 2013 (Public Law 113-6)*

**On average, the cost of educating children with disabilities is twice the average cost (measured as the national average per pupil expenditure) of educating other children. Congress determined that the federal government would pay up to 40 percent of this “excess” cost, which is referred to as full funding.**

Source: NEA calculations based on data from the U.S. Department of Education Budget Service; and, Projections of Education Statistics to 2021 (January 2013), National Center for Education Statistics. For more information, contact Tom Zembar at 202.822.7109 or TZembar@nea.org. | April 25, 2013
IDEA: Average Federal Cost Share (% Per Student
President’s FY 2014 Budget Request

**IDEA Full Funding**
The assumption underlying the Individuals with Disabilities Education Act (IDEA) and its predecessor legislation is that, on average, the cost of educating children with disabilities is twice the average cost (measured as the national average per pupil expenditure or APPE) of educating other children. Congress determined that the federal government would pay up to 40 percent of this “excess” cost, which is referred to as full funding. Since 1981, the first year for which full funding was 40 percent of APPE, the federal share has remained less than half of the federal commitment based on regular appropriations.

* Excludes one-time American Recovery and Reinvestment Act (ARRA) funds. Source: U.S. Department of Education Budget Service and the Congressional Research Service. The federal share is calculated from regular appropriations for Special Education Grants to States (IDEA Part B-611), excluding amounts available for studies and evaluations or technical assistance as applicable. For more information, contact Tom Zembar at 202.822.7109 or TZembar@nea.org. | April 10, 2013
IDEA Preschool Program

Section 619, Part B, Individuals with Disabilities Education Act (IDEA)

Justice Coleman is a 6-year-old student in an Inclusive Placement Opportunities for Preschoolers (IPOP) classroom at Kenneth Culbert Elementary School in Loudoun County, Virginia. IPOP is a preschool program that fosters appropriate communication, social skills, motor skills, and cognitive skills in an inclusive setting, serving students with delays or special needs in classes with students who are typically developing. Justice is a student with significant developmental delays including cerebral palsy, laryngeal malacia, tracheal malacia, vision and hearing impairments, and agenesis of the corpus callosum. She began receiving services shortly after birth through Early Intervention, including physical, occupational, and vision therapies. IDEA has provided part of the funding for these supports and services crafted specifically for Justice to help her develop skills and form the foundation of her education. Including her with typically developing children and the support of amazing professional staff have been highly motivating and encouraging. These federal funds are imperative to implement the least restrictive environments for students who are at an age where peers are not as easily available for inclusion.

Description

IDEA Preschool Grants are intended to assist States and local school districts to ensure preschool children with disabilities aged 3 through 5 are identified early and receive a free appropriate public education (FAPE). In addition, the federal contribution to preschool special education for States and local school districts facilitates the continuity of services for children with disabilities transitioning to school from the Infant and Toddler program (Part C, aged birth through 2) and is an important part of State and community efforts for early intervention.

Special Education Preschool Grants (IDEA Part B - Sec. 619)

<table>
<thead>
<tr>
<th>Year</th>
<th>Budget in millions</th>
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</thead>
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<td>$100</td>
</tr>
<tr>
<td>2003</td>
<td>$200</td>
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<tr>
<td>2004</td>
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<tr>
<td>2013</td>
<td>$1,200</td>
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<tr>
<td>2014</td>
<td>$1,300</td>
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</table>
Funding History (in millions)

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$372.65</td>
<td>$353.24</td>
<td>$372.65</td>
</tr>
</tbody>
</table>

Impact of President’s Budget

The Administration’s request for a freeze in funding for the IDEA Preschool Grants program at least maintains resources for these important services. However, this request is disappointing because it ignores the critical role this program plays for children with disabilities. Over the last 20 years, this program repeatedly has been frozen or cut despite growing need and demonstrated positive outcomes.

Impact of Sequestration

Sequestration reduces funding for this program by approximately $19 million. This means possible elimination of 250 jobs across the nation and loss of some level of services to tens of thousands of children and families. Moreover, these cuts are especially unwise in the face of strong research which demonstrates early learning gains reduce education and other expenditures over a lifetime. Thus these cuts are particularly devastating for children and families but also for society as a whole, because children will lose services at a time when they are most apt to benefit.

Program Need

Excluding the funds from the American Recovery and Reinvestment Act of 2009 (ARRA), the amount available per child has decreased almost every year since 1992 as the number of eligible children has increased. Congress should provide funding to meet its original promise to fully fund the Preschool Program by providing an allocation which will assist States and local districts to provide high quality services to all eligible children.

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Lindsay Jones  
The Council for Exceptional Children  
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Part C, Individuals with Disabilities Education Act (IDEA)

Nineteen-month-old Sean Acker is enrolled in the Barber National Institute Bright Beginning Early Intervention program in northwestern Pennsylvania. Sean is diagnosed with Congenital Fiber-Type Disproportion Myopathy, characterized by decreased muscle tone and generalized muscle weakness. Sean was referred for Early Intervention when he was just two months old. He was unable to hold his head up in any position, the family was having difficulty feeding him, and there were other concerns. Since beginning physical and occupational therapies delivered in his home, Sean is now growing steadily and getting stronger. He is able to walk independently in the house and enjoys riding his ride-on toy. He continues to receive physical therapy to help him gain more strength and skills so that he will be able to play in the yard with his brothers. Continued funding for Early Intervention programs will give Sean and other children the help they need to achieve the best possible outcomes as they continue to grow and to decrease the need for more intensive services over time.

Description

The IDEA Part C Infants and Toddlers with Disabilities program serves children aged birth through two years and their families. The program provides formula grants to States to develop and implement a statewide comprehensive multidisciplinary interagency system that provides early intervention services. This essential program helps State and local agencies identify and serve children with disabilities early in life when interventions can be most effective in improving educational outcomes.

Funding History (in millions)

<table>
<thead>
<tr>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>$442.71</td>
<td>$419.65</td>
<td>$462.71</td>
</tr>
</tbody>
</table>

Special Education Grants for Infants and Families (IDEA Part C) in millions

- FY 2002
- FY 2003
- FY 2004
- FY 2005
- FY 2006
- FY 2007
- FY 2008
- FY 2009
- FY 09 ARRA
- FY 2010
- FY 2011
- FY 2012
- FY 2013
- FY 2014

Budget
Impact of President’s Budget
The increase in the president’s budget would be a welcome boost for early intervention. Because of mounting fiscal pressure over the last two decades, States have had to narrow eligibility requirements for this voluntary program. This proposed funding level will help to address the needs of approximately 330,000 infants and toddlers with disabilities throughout the country who currently require these services.

Impact of Sequestration
Sequestration will reduce program funding by $23.1 million. This cut will cause waiting lists to increase and States will be forced to further narrow eligibility requirements. Thousands of children who should receive services will very likely be denied them. Over 300 jobs around the nation will be eliminated, and almost 18,000 children and families will feel the loss. Additionally, children and families will sustain these losses at a time when the children are poised to benefit most from services. Losing services at this time will reduce the return on investment provided over a child’s lifetime and thus increase later costs.

Program Need
Congress enacted this program after determining there was an urgent and substantial need to provide the earliest intervention possible for infants who are developmentally delayed or at risk. Over the years since the program was enacted, many studies have demonstrated these services are among the most effective in helping children with disabilities attain favorable educational outcomes. Congress must provide enough funds to ensure all eligible infants and toddlers and their families receive the services they need.

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The National Association of State Directors of Special Education  
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The Georgia Department of Education has utilized its State personnel development grant (SPDG) to reduce dropout. Georgia’s SPDG team developed more than 140 middle and high school graduateFIRST teams, which included both special and general education teachers, administrators, and support staff. The teams focused on reducing the number of dropouts and increasing the graduation rate for students with disabilities and other at-risk students. These teams are trained to perform detailed data analyses to determine the areas of focus that would result in positive changes for students.

### Description

The Part D programs are often referred to as the ‘backbone’ of special education. These critical programs help to support special educators and families and train them in the use of evidence-based strategies. Funds help to train leaders in the field and connect families to important information and resources to assist their children. The programs provide essential supports to States and local school districts to ensure services are designed to meet the needs of students and families and supports are appropriately delivered in a timely manner. The grants support the following activities, each with a separate funding stream: (1) State Personnel Development Grants; (2) technical assistance and dissemination; (3) personnel preparation; (4) parent information centers; (5) technical and media centers; (6) Special Olympics education programs; and, (7) the PROMISE program – Promoting Readiness of Minors in SSI, first funded in 2012 to foster improved health, education, and postsecondary outcomes for children ages 14-16 who receive Supplemental Security Income (SSI), as well as their families, and to support improved coordination of services.

### Funding History (in millions)

<table>
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<tr>
<th>Category</th>
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<th>FY 2014 President’s Request</th>
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<td>Technical Assistance &amp; Dissemination</td>
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<td>Personnel Preparation</td>
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<td>Parent Information Centers</td>
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<td>Technology and Media Centers</td>
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<td>Special Olympics Education Programs</td>
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<tr>
<td>PROMISE</td>
<td>$ 2.00</td>
<td>$ 1.89</td>
<td>$ 0.00</td>
</tr>
</tbody>
</table>

### Impact of President’s Budget

Over the past few years most of these programs have seen only slight gains or have been frozen and subject to across-the-board cuts. The Administration’s FY 2014 budget provides a basic level of commitment to Part D programs and would take the allocations back to their pre-sequestration amounts. The increase in funding for the State Personnel Development Grants is welcomed and appreciated. No explanation was provided for the cut to Personnel Preparation programs, and given the ongoing shortages of trained special education personnel it is difficult to understand. The value of these programs is frequently overlooked, resulting in funding levels insufficient to support program potential.

### Impact of Sequestration

These infrastructure programs are critical to the successful delivery of services to children and youth with disabilities. The impact of sequestration cuts will have serious long-term effects on program recipients and on provision of special education and specialized instructional support services overall.

### Program Need

These programs represent less than 1 percent of the national expenditure for educating students with disabilities; however, they provide a strong infrastructure for implementation of the IDEA including support for parents, educator training, and professional development. Funds support more than 50 technical assistance and dissemination centers, higher education personnel preparation programs to prepare highly qualified special education personnel, centers to provide assistance to parents in all States, technology and media centers, Special Olympics education programs, and the new exciting PROMISE program. Without the Part D program, educators and parents would not have the training to ensure positive outcomes for all students with disabilities.
Contact Information

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School Renovation and Modernization

American Recovery and Reinvestment Act (ARRA) of 2009 (P.L. 111-5)  
American Taxpayer Relief Act of 2012 (P.L. 112-240)  
American Jobs Act (Proposed)

San Diego Unified School District was the first in the nation to utilize the interest-free Qualified School Construction Bonds (QSCBs) authorized under ARRA. The district’s QSCB allocation of $38.8 million was included as part of San Diego’s larger capital improvement program. The allocation funded repairs to outdated student restrooms and deteriorated plumbing and roofs and was also used for upgrading career and vocational classrooms and labs. In addition, the funding will be used to update classroom technology, improve school safety and security, upgrade fire alarms, replace dilapidated portable classrooms, and remove hazardous substances. The district realized savings of approximately $20 million as a result of the federal bonding authority and will use the funds to make additional technology investments that would otherwise have been delayed until money was available.

Description

The Qualified School Construction Bond (QSCB) and Qualified Zone Academy Bond (QZAB) programs help States and school districts address the challenges they face in modernizing aging schools. Entities issuing federal school construction bonds receive interest-free bonding authority that can be used for specific infrastructure and instructional improvements, including enhancing building safety, expanding facilities to allow for smaller class size, and increasing access to learning technologies. QSCBs offer additional benefits and can be used for new construction and land acquisition. ARRA authorized QSCB and QZAB bondholders to receive a federal tax credit in lieu of interest payments, but the Hiring Incentives to Restore Employment (HIRE) Act of 2010 (P.L. 111–147) amended the Internal Revenue Code, allowing issuers the option of issuing the QSCBs and QZABs as specified tax credit bonds with a direct-pay subsidy. Another option for school districts in recent years is the Build America Bonds (BABs), taxable bonds with a 35 percent interest subsidy rate from the Treasury Department.

Funding History* (in millions)

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<thead>
<tr>
<th></th>
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<tr>
<td>Qualified Zone Academy Bonds*</td>
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<tr>
<td>Qualified School Construction Bonds*</td>
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<td>$0.00</td>
<td>$0</td>
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</tbody>
</table>

*The school construction bonding provisions are authorized and funded through tax legislation rather than annual federal appropriations.

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>FY 2013</th>
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</thead>
<tbody>
<tr>
<td>School Modernization</td>
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<td>$0.00</td>
<td>NA*</td>
</tr>
</tbody>
</table>

* The president’s FY 2014 budget proposes a new type of bond, and includes no limit on bonding authority or the amount available.
Impact of President’s Budget

Federal bond programs operate according to calendar years, rather than federal fiscal years. ARRA authorized QSCBs and BABs for the first time for years 2009 and 2010, while extending and expanding QZAB authorization for the same two years. A number of extensions for the QZAB program have been authorized by Congress since then, most recently for 2012 and 2013 under the American Taxpayer Relief Act of 2012. While additional bonding authority for QSCBs and BABs was not included in the president’s budget request for FY 2014, the budget proposal does include a new permanent America Fast Forward Bond program. Similar to the BABs, America Fast Forward Bonds would be taxable bonds issued by State and local governments for which the federal government makes direct payments to issuers in an amount equal to 28 percent of the interest on the bonds. This new bond proposal also provides a specific school construction incentive, offering a temporary federal subsidy rate greater than the standard 28 percent. Public schools, State universities, and certain nonprofit educational entities that issue America Fast Forward Bonds for school construction in 2014 and 2015 would receive direct payments from the Treasury Department in an amount equal to 50 percent of the interest on the bonds. Continuous federal investment in school modernization is necessary to address a recognized and established local need and will help more students receive a high-quality education in safe, well-equipped buildings.

Impact of Sequestration

Based on a decision by the federal Office of Management and Budget, the IRS issued guidance stating that school districts using direct pay bonds, including QSCBs, QZABs, and BABs, will find their federal payments reduced by 8.7 percent effective on or after March 1, 2013, and through and including September 30, 2013. The contracts and long-term financial agreements into which school districts entered with buyers of these bonds could be in jeopardy if the subsidy payments from the federal government are decreased through sequestration. In 2010-11 alone, over $11 billion in direct pay QSCBs bonds were issued by school districts in 49 states to modernize schools.

Program Need

The federal school bond programs help States and local school districts make progress in addressing their facility challenges, but the amount of bonding authority approved for QSCBs and QZABs in ARRA and the Tax Relief Act of 2010 falls well short of existing needs. A 2011 survey of urban school districts found these systems need approximately $20.1 billion in new construction, $61.4 billion in repair, renovation, and modernization, and $19 billion in deferred maintenance costs, or some $100.5 billion in total facilities needs, while other studies estimate a nationwide need closer to $300 billion. Additional federal investment in school modernization programs will help ensure all children attend modern safe schools. Funds for school modernization would not only improve student learning but would also put hundreds of thousands of Americans in the construction industry back to work.

Contact Information

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RESPECT Program

Proposed Legislation

In 2012, the U.S. Department of Education launched the National Conversation on the Teaching Profession. Over the last year the Department has hosted more than 360 conversations engaging thousands of educators across the country about their ideal vision for teaching and leading in schools. Educators were asked what they would like teacher and leader preparation, evaluation, development, compensation, and support to look like. These discussions were titled “RESPECT conversations”—conversations about how to recognize educational success, support professional excellence, and foster collaborative teaching in schools. The vision shaped by these conversations forms the backbone of the president’s proposal for a new competitive grant program called RESPECT. Jacqueline Vivalo, 5th Grade Math and Literacy Teacher at DC Bilingual Charter School, expressed it this way, “I think the RESPECT initiative encompasses what a lot of teachers are thinking and may have mentioned within their schools, but haven’t reached a greater audience – it’s the next step of putting it into action.”

Description

The Recognizing Educational Success, Professional Excellence, and Collaborative Teaching (RESPECT) program will provide support for pioneering innovations in the way the nation recruits, selects, prepares, credentials, supports, advances, and compensates teachers and school leaders. The program envisions a school model and culture based on shared responsibility and ongoing collaboration, marked by dramatic increases in professional opportunities for teachers. The program also seeks to ensure principals are fully engaged in the instructional process of the school and share leadership with accomplished educators. Funds would be awarded competitively to States with participating districts and in non-participating States to consortia of districts.

Funding History (in millions)

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<thead>
<tr>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
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<td>$5,000.00 (mandatory funds)</td>
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Program Need

Recruiting talented and committed future educators and providing substantive, high-quality preparation for them is essential to ensuring quality schools. The RESPECT program includes support for career pathways, expanded teacher leadership roles, aligned professional development, and time for collaboration, as well as greater autonomy. The current environment requires educators to have a wide range of skills and strategies to keep students engaged and learning. The systemic approach outlined in RESPECT represents the kind of thinking that will improve our public schools, making them exceptional institutions of learning for all students.

Contact Information

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American Jobs Act

Proposed Legislation

Description
The proposed Act would provide one-time funds to support formula grants to States to retain, rehire, and hire early childhood, elementary, and secondary educators including teachers, school counselors, classroom assistants, after-school personnel, tutors, and literacy and math coaches.

Funding History (in millions)

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<thead>
<tr>
<th>FY 2012</th>
<th>FY 2013</th>
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</table>

* The president’s FY 2014 budget requests $12.5 billion to start in FY 2013. This program is not currently funded.

Impact of President’s Budget
Giving States and districts $12.5 billion will support nearly 200,000 education jobs, both preventing further layoffs and allowing thousands more to be hired or rehired. The president’s plan will attempt to offset projected layoffs, providing support for struggling States and school districts. While this amount will not offset the employment losses that have taken place in the last four years, it will put resources where they are desperately needed. Without these funds, services to students will be cut back, resulting in larger class sizes, further narrowing of the curriculum, and curtailing of afterschool and other vital support services for students.

Program Need
The proposed funding would provide a much needed boost to States and local school districts, many of which continue to battle increasingly tight and shrinking operating budgets. In the past four years, there has been a reduction of more than 350,000 teacher and other educator jobs in our public schools. These dollars are crucial to maintaining and developing the educator workforce, keeping teachers in the classroom, supporting those already there, and hiring new staff. Not only will these funds improve student learning, but they will help create jobs and improve the economy.

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Part II: Education, Careers and Lifelong Learning

The Carl D. Perkins Career and Technical Education Act

With help from Perkins funding, students at Aviation High School (AHS), a career and technical education school in New York City’s public school system, are receiving rigorous academic coursework combined with world-class technical training in preparation for careers in the aviation and aerospace fields. AHS has partnered with major airline companies to create an on-site classroom located in an annex at J.F.K International Airport, where students receive hands-on training using a donated 727 aircraft. Though 60 percent of the students at AHS are from low-income households, the school has an 88 percent graduation rate with students prepared to go on to college or enter the career field with a typical entry-level salary of $50,000 to $60,000. AHS has been recognized as one of the best high schools in the nation by U.S. News and World Report.

Description
The Carl D. Perkins Career and Technical Education Act (Perkins) provides critical funds to States to invest in career and technical education (CTE). States distribute the funds to schools by formula for programs that provide individuals with academic and technical skills needed to succeed in a knowledge- and skills-based economy. The CTE system prepares its students for both postsecondary education and the careers of their choice.

Funding History (in millions)

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Career and Technical Education State Grants

in millions

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Impact of President’s Budget

The president proposes to fund Perkins Basic State Grants at $1.1 billion for FY 2014. The budget would restore funding to the pre-sequester level. In addition, there is a $10 million increase for National Programs designated for a fund to support and evaluate dual-enrollment programs. The budget request also includes a set-aside of up to $100 million for a competitive CTE innovation fund, including $10 million for “Pay-for-Success” projects. However, this set-aside would reduce the amount distributed to eligible States and local CTE institutions through the funding formula.

Impact of Sequestration

The Perkins FY 2011 allocation was reduced by $140 million, with additional reductions occurring in FY 2012. As a result of sequestration, Perkins will be reduced further in FY 2013 by $59 million.

Program Need

The erosion of Perkins has negatively impacted high schools, CTE centers, community and technical colleges, employers, and millions of CTE students nationwide. A larger investment in the Perkins Basic State Grants is necessary to ensure all students are college and career-ready. While several new programs proposed in the Administration’s budget have the potential to benefit CTE and provide students with career readiness skills—such as the high school redesign program, STEM initiatives, and the Community College to Career Fund—resources also must be directed to established and proven programs like Perkins that increase access to high-quality CTE programs for all students. Perkins funding should be restored to the pre-sequester FY 2012 level to help address factors such as rising student enrollment, the declining number of available skilled workers, and the increased costs of implementing quality CTE programs.

Contact Information

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Adult Education and Family Literacy

The Adult Education and Family Literacy Act, Title II, Workforce Investment Act (WIA)

In central Pennsylvania, adults with limited literacy skills and/or those who lack a high school diploma have few options. Some seize the opportunity to improve their skills through attendance at a variety of free classes before transitioning to additional education and the workforce. Family literacy classes helped Donna prepare her child for school but also helped her improve her basic skills and earn a Child Development Associate certificate, allowing her to advance from substitute to fulltime Head Start program aide. A Career Pathways Program helped Jonathan pass the GED test, enter a Compression Technology Certificate Program, and obtain a position in the natural gas industry. Without adult education programs funded through Title II of WIA, these adults and many others would be without educational options or hope of finding or advancing in employment.

Description

The National Assessment of Adult Literacy (NAAL) released in December 2005 estimated 93 million adults in the United States have limited literacy skills, adversely affecting their ability to meet work, family, and community responsibilities. Programs funded by the Adult Education and Family Literacy Act assist these adults to become literate and proficient in speaking English, secure citizenship, and obtain the knowledge and skills necessary for employment and self-sufficiency. Adult education programs often partner with community colleges, technical institutes, and area vocational schools to provide integrated adult education with occupational skill training and career pathway programs leading to the attainment of industry-based certifications. In addition, adult education programs help parents obtain the educational skills necessary to become full partners in the educational development of their children. Of particular significance in light of recent efforts to reform the nation’s immigration system, this program also serves as the primary source of federal funding for State and community efforts to provide limited English proficient adults with expanded access to high-quality English literacy programs linked to civics education.

Funding for adult education brings significant returns to participants, their families, and communities. Adults with a high school education and beyond are more likely to be employed and less likely to live in poverty and need public assistance. They also are more likely to contribute to the tax base through State and federal income taxes. The bulk of federal adult education funds are sent to States which then distribute grants to local adult education providers. In addition, these funds provide the foundation for State and community efforts to improve adult education and literacy systems, supporting teacher training, curriculum development, and accountability measurement.

Funding History (in millions)

<table>
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<th>FY 2012</th>
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<tr>
<td>National Programs</td>
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Impact of President’s Budget

Under the president’s proposed budget, State grants for adult education would be funded at $595 million. This request includes continuation of a $74.7 million set-aside for English Literacy/Civics Education State Grants to support the unmet needs of immigrants learning English.

In addition to State grants, $11.6 million would go to National Programs, an increase of $3 million. The proposed increase would support the expansion of the Department of Education’s reentry education model demonstration initiative. According to the Department, this will help develop evidence of effectiveness in a variety of institutional contexts and build on the Department’s recent Promoting Reentry Success through Continuity of Educational Opportunities competition.

Despite the critical need for services and benefits to society, the federal investment in adult education State grants has remained basically flat over the last decade. Adjusted for inflation, federal funding for adult education has actually declined by 17 percent from 2002. While the president’s proposed level of funding preserves the current level of federal investment in adult education, that investment will continue to support less than 2 million of the 93 million adults who could benefit from adult education services.
Program Need

It is critical to preserve federal adult education and literacy funding through Title II of WIA and find ways to increase that investment in the future to help more individuals who desperately need these services. Other sources of federal funding for adult education are dwindling. Most notably, federal support for the Even Start family literacy program was eliminated in 2010. Meanwhile, State funding for adult and family literacy has been cut— in some cases eliminated—as States struggle to balance lean budgets. As a result, adult education programs in virtually all 50 States have waiting lists for services. An increase in the federal investment is essential to significantly reduce these waiting lists and provide for a modest expansion of services. Immigration reform is likely to further increase the demand for low-cost adult English language instruction pathways. The most cost-efficient way to meet that demand is to leverage the existing Adult Education and Family Literacy System provided by Title II of the Workforce Investment Act.

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Library Services and Technology Act

The Museum and Library Services Act

Description

The Library Services and Technology Act (LSTA) is the primary annual source of federal funding for libraries in the federal budget. The majority of LSTA funding is a population-based grant distributed to each State library agency through the Institute of Museum and Library Services (IMLS), a small independent federal government agency. Each State library agency determines how best to spend its allotted funds. Many States use this money to help users find jobs and build resumes, as well as help younger students with homework and after-school programs. LSTA also provides money to States for professional development for librarians under the Laura Bush 21st Century Library Professionals program.

Funding History (in millions)

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<thead>
<tr>
<th></th>
<th>FY 2012</th>
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<tbody>
<tr>
<td>$184.70</td>
<td>$175.04</td>
<td>$177.06</td>
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</table>

Impact of President’s Budget

Many libraries are seeing record high levels of use while also experiencing budget cuts at the local level. Now is not the time for the federal government to cut funding to libraries. Since FY 2010, IMLS has seen a $38 million cut. These cuts reach deep especially considering States with tight budgets must match the IMLS federal funds, making these cuts even more devastating to the library community and its users. With so many people still out of work or underemployed, the library has been the one place they can go to receive help searching for a job and building a resume. While the president’s budget does restore some of the funds LSTA lost under sequestration, the budget request is still below the FY 2012 level.

Impact of Sequestration

Accounting for sequestration in FY 2013, LSTA funding was reduced to $175 million. This is a $38 million cut from the level appropriated just a few short years ago in FY 2010. In December 2010 Congress reauthorized LSTA under the Museum and Library Services Act (MLSA) with an authorization level of $232 million, well beyond the current funding amount. The impact of sequestration will be different in every State, as each State determines how best to spend its allotted LSTA funds. In many States public libraries will not be able provide summer reading programs, with the result that many K-12 students will return to school in the fall having not been able to maintain their reading level over the summer break.

Program Need

While MLSA authorized this program at $232 million in December 2010, funding LSTA at least at the FY 2012 level of $184.7 million will go a long way to help libraries provide the services on which many people have come to rely.

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Part III: The Gateway to Opportunity—Higher Education

Higher Education Overview

President Obama focuses on college affordability and accountability through his FY 2014 budget request and recognizes that investing in higher education and research is a key part of our nation’s future economic security. The president expresses concern that rising costs may be pricing young people out of attending college, and his budget stresses federal dollars must be targeted to quality programs and institutions, particularly those successfully educating low-income students. He continues his concentration on improving teacher preparation and elevating the teaching profession, as well as helping disadvantaged populations attain educational success.

Federal funding for higher education programs fits within two general categories—student financial assistance and institutional support programs. Federal assistance for higher education is crucial to providing access for all students and to creating a highly educated workforce to increase our country’s competitiveness. Unlike most P-12 programs, funding for higher education programs does not funnel through the State, except for the College Access Challenge Grant program.

The cornerstone program of federal student assistance is the Pell Grant program which provides grant aid for the nation’s neediest students. Other key programs include the Supplemental Educational Opportunity Grant program (SEOG) and the Federal Work-Study program (FWS). Both SEOG and FWS are campus-based aid programs and provide additional grant and work opportunities to help make college affordable for low income students. In addition, the federal government provides three Direct Loan options (subsidized, unsubsidized, and PLUS) with generous benefits to help students finance their education. The Perkins Loan program, while smaller in volume and campus-based, also provides additional loan funds for low-income students. Last, TEACH grants provide additional grant funds to students who indicate a desire to enter the teaching profession.

Institutional support programs and funds are primarily designated to certain categories of institutions that serve traditionally underserved and underrepresented populations, such as Historically Black Colleges and Universities, Hispanic Serving Institutions, Native American serving institutions, and Asian American and Native American Pacific Islander institutions. Funds flowing through these programs are designed to improve the delivery and quality of education for the population of students served by these institutions.

There also are two federally funded institution-based programs that primarily serve high school students and promote access to postsecondary education. They are the TRIO programs (which also serve students in higher education) and Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP).

Overall President Obama’s FY 2014 budget submission freezes funds for nearly all of the higher education programs (levels are frozen from FY 2012 appropriations funding). The president also relies on a number of proposals and initiatives from past budgets to formulate this year’s request.

Major highlights of the budget, some of which would require legislative changes, include:

- Maintaining the current Pell Grant program without changes in eligibility or discretionary funding levels. This would support an estimated maximum award of $5,785 in academic year 2013-14.
- Creating a $1 billion Race to the Top-College Affordability and Completion program. This funding would support up to ten states who commit to:
  - Sustain fiscal support for higher education while modernizing policies to constrain costs and improve outcomes.
  - Remove barriers preventing the creation of innovative student learning methods and new degree pathways.
  - Empower consumer choice through increased transparency.
  - Smooth transitions into college and between institutions of higher education.
- Establishing a “First in the World” program funded at $250 million of which $175 million would support an evidence-based grant competition encouraging innovative approaches to college completion, supporting research to build evidence for successful strategies, and scaling-up and disseminating proven strategies.
- Expanding the current Perkins Loan program by injecting additional funds, effectively doubling the available capital to provide more loans to low-income students and broaden the number of participating institutions. The new loans would not contain those benefits of a reduced interest rate and several loan forgiveness provisions currently offered in the program, but would be offered under terms similar to unsubsidized federal loans.
- Changing the formula used to distribute the campus-based program funds to reward institutions that keep tuition low, provide quality and serve low-income students.
Increasing funding for the federal work-study program by $150 million to double the number of students participating within 5 years.

Eliminating the current HEA Title II Teacher Quality Partnership program by consolidating it into a new “Teacher and Leaders Pathway” program under the Elementary and Secondary Education Act (ESEA).

Expanding the current Pay As You Earn (PAYE) repayment plan to all student borrowers, past, present and future. PAYE, a form of Income Contingent Repayment (ICR) currently available to only a certain pool of borrowers, ensures loan payments do not exceed 10 percent of the borrower’s discretionary income and provides loan forgiveness after 20 years. Under the president’s budget, PAYE would extend to all student borrowers beginning July 1, 2014.

In addition, the president proposes to alter the structure of the federal student loan program. Currently, student loans are issued at a fixed interest rate of 6.8 percent for unsubsidized loans, 3.4 percent for subsidized loans (loans where the government pays the interest cost while the student is actively enrolled as a student), and 7.9 percent for PLUS loans available to graduate students and parents. The College Cost Reduction and Access Act of 2007 cut the interest rate in half for borrowers with subsidized loans in a 5-year stepped approach. The 3.4 percent rate was extended for loans issued in academic year 2012-13, but will revert to 6.8 percent on July 1, 2013, as scheduled in law. The president’s budget proposal calls for moving to a market-oriented interest rate that would adjust annually and be based on the 10-year Treasury Bill (T-Bill) rate. Specifically, the proposal would set the interest rate as follows:

- Subsidized loans: T-bill rate plus 0.93 percentage points.
- Unsubsidized loans: T-bill rate plus 2.93 percentage points.
- PLUS loans: T-bill rate plus 3.93 percentage points.

The rate would be established at the issuance of the loan and would remain fixed at that rate for the life of the loan; however, rates for new loans would fluctuate annually.

The president’s budget also proposes two noteworthy tax provisions. First, the proposal calls for a permanent extension of the American Opportunity Tax Credit which provides tax relief toward the amount paid in tuition, fees, and educational expenses for middle and lower income students. The second provision would exclude from taxation the amount of a student loan that has been forgiven after 20 years of repayment under an income-based repayment plan.

From a broad perspective, it is important to acknowledge that over the past several years budget savings proposals agreed to by Congress and the Administration have been felt heavily and arguably disproportionately by postsecondary students. In fact, in recent years students in higher education have lost over $35 billion in student aid benefits. These losses have occurred through elimination of the year-round Pell Grant, zero-funding of the Leveraging Educational Assistance Partnerships program, removal of the in-school interest subsidy for graduate and professional students and the interest subsidy during the grace period (the period of time, generally six months, between graduation and when the first loan payment is due) for certain students, as well as the various eligibility changes in the Pell Grant program. The cumulative effect of these changes on students is daunting.

Generally, the higher education community supports efforts to expand program funds and student aid eligibility and reward schools for offering strong student-centered aid programs and high-quality education. The higher education community particularly appreciates the president’s continued support for the Pell Grant program. CEF members look forward to working with Congress and the Administration on these initiatives to ensure the integrity of the current student aid programs is retained and important student-focused benefits are preserved. CEF also will work to avoid cuts in important areas like graduate education, student support services, academic preparation, and teacher quality.
Number of Recipients by Federal Aid Program (with Average Aid Received), 2011-12

Federal Aid Programs (with Average Aid per Recipient)

- Federal Education Tax Benefits ($1,390): 13.1 million
- Federal Pell Grant ($3,685): 3.4 million
- Subsidized Stafford Loans ($3,645): 9.4 million
- Unsubsidized Stafford Loans ($4,247): 8.8 million
- FSEOG ($528): 1.4 million
- Federal Work-Study ($1,422): 684,000
- Post/9-11 GI Bill Veterans Benefits ($15,736): 594,000
- Perkins Loan ($1,852): 524,000

SOURCE: The College Board, *Trends in Student Aid 2012*, Figure 7A.
Grants and Loans as a Percentage of Funds from Total Aid and Nonfederal Loans for Undergraduate Students, 1991-92 to 2011-12

SOURCE: The College Board, *Trends in Student Aid* 2-12, Figure 4
**Higher Education Initiatives (proposed legislation)**

*President’s FY 2014 Budget Request*

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**Race to the Top—College Affordability and Completion**

The 2014 budget includes $1 billion for a new Race to the Top competition to drive change in State higher education policies and practices to improve college access, affordability, completion, and quality. The proposal would provide incentives for up to 10 States to implement reforms such as maintaining fiscal support for higher education while modernizing funding policies to constrain costs and improve outcomes; removing barriers preventing the creation of innovative methods of student learning and new degree pathways; empowering consumer choice through increased transparency; and, smoothing transitions for students from high school to college and between colleges.

**First in the World Fund**

The 2014 budget includes $247 million for First in the World under the Fund for the Improvement of Postsecondary Education. The fund would make competitive grants to encourage innovation in higher education to tackle and improve college completion rates, increase the productivity of higher education, build evidence of what works, and scale up proven strategies. Up to $175 million would be used to support an evidence-based grant competition modeled after the i3 program for K-12 for improving college attainment and productivity. The request also includes up to $75 million to support projects to develop validation systems for competency-based learning and make performance-based awards for free 2-year degrees.

**Presidential Teaching Fellows**

The 2014 budget request would replace the TEACH grant program with $190 million in mandatory funding for a new Presidential Teaching Fellows program that would provide formula grants to States to fund scholarships of up to $10,000 for students attending high-performing teacher preparation programs. The new program would limit eligibility to teacher preparation programs with a record of success, and to students who are further advanced in their program of study, to help ensure that scholarship recipients will be more likely to not only enter and remain in the teaching profession but also to become effective teachers.

**Community College to Career Fund**

The budget request includes $4 billion in mandatory funds, beginning in fiscal year 2015, for a Community College to Career Fund that would support community college-based training programs that help prepare workers for jobs in high-growth and high-demand sectors. Funds could be used to identify pressing workforce needs and develop solutions, such as standardizing industry certifications, development of new training technologies, and competency-based assessments that can give credit for prior learning and accelerate time to credential; to expand work-based training and other “earn and learn” opportunities; and, to promote the availability of and access to data on student outcomes by program of study.

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Source: U.S. Department of Education Budget Service. For more information, contact Tom Zembar at 202.822.7109 or TZembar@nea.org. | April 25, 2013
Pell Grants

Title IV, Part A, Subpart 1, Higher Education Act

“I am a Latino male who has lived in poverty for what has been most of my life. I am now attending the Ohio State University in an attempt to overcome the difficulties that come with poverty. The Pell Grant has allowed me to aim to overcome something that for most is a never-ending cycle. It allows me to attend the University and actually make a difference. It allows me to not only receive an education but give back to my community. I know that without the Pell Grant, it would be pretty difficult or impossible for me or others like me to do this.”

- Carlos Martinez, Freshman, Ohio State University

Description

The Pell Grant program provides grants to low-income undergraduate students to help them finance their college education. Grants vary in amount on the basis of need, with the highest-need students receiving the largest awards. This program is the foundation of the federal financial aid program and is the key to securing the goal of providing equal access to postsecondary education for all citizens.

Pell Grants are an appropriated entitlement in that all eligible students receive them, but the majority of the program’s funding is set in the annual appropriations process. Additional mandatory funding to maintain the current maximum award has been provided through recent legislation.

Funding History

<table>
<thead>
<tr>
<th>Funding</th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discretionary Appropriations (in millions)</td>
<td>$22,824.00</td>
<td>$22,778.35</td>
<td>$22,824.00</td>
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<tr>
<td>Total Program Costs (in millions)</td>
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<td>$33,774.00</td>
<td>$35,372.00</td>
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<tr>
<td>Discretionary Maximum Award (in actual dollars)</td>
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<td>$4,860.00</td>
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<tr>
<td>Mandatory Increase (in actual dollars)</td>
<td>$690.00</td>
<td>$785.00</td>
<td>$920.00</td>
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<tr>
<td>Total Maximum Award (in actual dollars)</td>
<td>$5,550.00</td>
<td>$5,645.00</td>
<td>$5,785.00</td>
</tr>
</tbody>
</table>

Impact of President’s Budget

The president’s budget request would support current scheduled increases in the maximum Pell Grant award. The proposal also would provide additional funds from program changes in Stafford and Perkins loans to eliminate a possible FY 2015 funding shortfall. The president’s budget assumes a maximum award of $5,785 in FY 2014, based on Office of Management and Budget estimates of future interest rates (Scheduled increases in the maximum award are tied to the Consumer Price Index, or CPI.).

Impact of Sequestration

Pell Grant funding was exempted from the sequestration process for FY 2013 but will face challenges from the lower overall caps in the following years. Due to the unique nature of Pell Grant funding, any across-the-board cuts to appropriated funding can result in additional significant cuts in mandatory funding, severely harming students.

Program Need

More than nine million students rely on Pell Grants to afford and attend college. Students and institutions depend on the federal government to maintain consistent support so they can budget and plan for higher education. Therefore, it is critical to provide sufficient appropriated funding to maintain the maximum award of $4,860. Reductions below that level will have the additional effect of reducing the already funded mandatory increases, resulting in a double cut to students. Changes to the Pell funding formula in FY 2012 appropriations resulted in hundreds of thousands of students losing their eligibility or seeing their award levels reduced.
The Pell grant program is exempt from sequestration in FY 2013. Absent changes by Congress the maximum will automatically increase to $5,785 in FY 14 based on the SAFRA funding formula.
Maximum and Average Pell Grant in 2011 Dollars, 1976-77 to 2011-12

SOURCE: The College Board, Trends in Student Aid 2012, Figure 13B.
Inflation-Adjusted Maximum Pell Grant, Tuition and Fees (TF), Tuition and Fees and Room and Board (TFRB), and Maximum Pell Grant as a Percentage of TF and TFRB, 1992-93 to 2012-13

SOURCE: The College Board, *Trends in Student Aid 2012*, Figure 14B.
Total Undergraduate Enrollment and Percentage of Students Receiving Pell Grants (2000-02 to 2011-12)

SOURCE: The College Board, *Trends in Student Aid 2-12*, Figure 14A
### Federal Pell Grants (HEA IV-A-1)

**President’s FY 2014 Budget Request**

<table>
<thead>
<tr>
<th>Year</th>
<th>BASELINE Federal Pell Grants’ funding (total program costs, including mandatory funding)</th>
<th>BUDGET Federal Pell Grants’ funding (total program costs, including mandatory funding)</th>
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</thead>
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<tr>
<td></td>
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<td></td>
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</tr>
<tr>
<td>2014</td>
<td></td>
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</table>

**Recipients (in thousands)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Recipients (in thousands)</th>
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<tbody>
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<tr>
<td>2013</td>
<td>9,171</td>
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<tr>
<td>2014</td>
<td>9,373</td>
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</table>

**Maximum Award as a Share (%) of the Total Cost of Attendance**

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<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
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<tbody>
<tr>
<td></td>
<td>$5,550</td>
<td>$5,645</td>
<td>$5,785</td>
</tr>
<tr>
<td></td>
<td>31%</td>
<td>30%</td>
<td>30%</td>
</tr>
</tbody>
</table>

**FY 2012**

- $32,843,000

**FY 2013 (HR 933*)**

- $33,774,000

 vs. FY 2012

- +$931,000
- +2.8%

**FY 2013 Post-Sequester**

- $33,774,000

 vs. FY 2012

- +$931,000
- +2.8%

**FY 2014 Budget Request**

- $35,372,000

 vs. FY 2013 Post-Sequester

- +$1,598,000
- +4.7%

 vs. FY 2013 (HR 933*)

- +$1,598,000
- +4.7%

 vs. FY 2012

- +$2,529,000
- +7.7%

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*Consolidated and Further Continuing Appropriations Act, 2013 (Public Law 113-6)

**The total cost of attendance includes tuition and fees, and room and board at a four-year public institution of higher education.

Source: NEA calculations based on data from the U.S. Department of Education Budget Service and The College Board; and, Projections of Education Statistics to 2021 (January 2013), National Center for Education Statistics. For more information, contact Tom Zembar at 202.822.7109 or TZembar@nea.org. | April 25, 2013
Federal Supplemental Educational Opportunity Grant Program (SEOG)

### Title IV, Part A, Subpart 3, Higher Education Act

Luisa Santos is a junior at Georgetown University, studying political economy with a minor in education, inquiry, and justice. Luisa was born in Bogota, Colombia, and grew up in Miami, Florida, where she completed her first two years of higher education at Miami Dade College. At Georgetown, Luisa receives a Pell grant, SEOG, Perkins Loans, and a Georgetown institutional grant. In the summer of 2012 as an intern in the Office of the Under Secretary at the U.S. Department of Education, Luisa helped coordinate a two-day conference focused on best practices for veterans’ success on America’s campuses attended by 150 campus representatives, potential donors, and government officials. She strongly believes education is the main driver of positive social change and one of the most effective tools in bringing about social justice. At Georgetown she is a coordinator in the D.C. Reads program and is an active member of Hoyas for Immigrant Rights. SEOG greatly assisted Luisa’s unique situation to overcome financial obstacles to attend college.

### Description

SEOG provides up to $4,000 in additional grant aid targeted for exceptionally needy students. The program expands college choices for low-income students and is a critical component of the federal student aid package. SEOG is a campus-based aid program with an institutional match that gives financial aid officers the flexibility to help students when their financial circumstances drastically change. Recipients are the neediest students, whose average incomes are $19,000 or less.

### Funding History (in millions)

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
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</thead>
<tbody>
<tr>
<td>$734.60</td>
<td>$696.18</td>
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![Supplemental Educational Opportunity Grants](chart.png)

*Supplemental Educational Opportunity Grants in millions*
Impact of President’s Budget

The president’s proposed FY 2014 budget funds the SEOG program at roughly $735 million. SEOG awards go to the neediest Pell Grant eligible students. Therefore, a funding freeze equals a cut, especially given the economic challenges for a growing number of qualifying students over the past few years. The president’s budget calls for campus-based aid reform measures which would link college affordability, quality, and completion rates of low-income students as requirements to maintain campus-based aid institutional eligibility. These proposed policy changes would require amendment of the Higher Education Act through congressional action.

Impact of Sequestration

The 5 percent cut to SEOG would equal a loss of $38.4 million, bringing the funding level down to $696 million. Institutions will have to decide how to implement the cut to their fair share amount, whether by reducing the number of students that receive grants or by lowering the grant amounts awarded to students.

Program Need

SEOG should be increased, given the growth in the number of students eligible for need-based aid. Additional funding would allow more institutions to participate in the program and provide more grant aid to students. Grant aid is more effective than loans in keeping low-income students in college and persisting to completion.

Contact Information

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Federal Work-Study Program

Title IV, Part C, Higher Education Act

Very often FWS work experience is directly related to a student’s field of study or community service—both of which are valuable to the student, the institution, and the surrounding community. This is the case of a student who attended a large four-year public institution majoring in early childhood education. The student held an FWS job in an on-campus child care center throughout her undergraduate career and was hired by the center upon her graduation as a result of her experience. Many FWS opportunities provide students the chance to find employment in areas of interest and relevance to their major, giving them practical real-world work experience.

Description

The Federal Work-Study (FWS) program provides funds, matched by institutions, for awards to needy students for part-time employment that assists in financing college costs. Students can receive FWS funds at approximately 3,400 participating postsecondary institutions. The work-study program is cost-efficient because institutions and employers generally contribute funds. The program provides students with much-needed funding and work opportunities, helping to integrate students into college life and persist to graduation. In addition, institutions must use at least 7 percent of their FWS allocation to employ students in community service jobs. Employing FWS students in these positions serves the needs of the community and gives students enriching and rewarding experiences. While the vast majority of funds go directly toward need-based student compensation, a portion of funds may also be used to develop off-campus jobs for students.

Funding History (in millions)

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
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</thead>
<tbody>
<tr>
<td>FY 2012</td>
<td>$976.68</td>
<td>$925.60</td>
<td>$1,126.68</td>
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</tbody>
</table>
Impact of President’s Budget

The Obama Administration’s FY 2014 budget request proposes to double the number of work-study jobs over the next five years and provide an additional $150 million. This growth would allow for an estimated 793,000 work-study students in 2014-15. The proposal is part of a larger plan to reform federal campus-based aid programs that would reward institutions for keeping low net tuition, providing good value and quality, and serving low-income students well. The Administration has not established metrics for measuring these indicators but has expressed interest in working together with key stakeholders to determine the allocation formula.

Impact of Sequestration

Sequestration imposed a 5 percent across-the-board cut to overall funding for the FWS program, reducing program funds from $977 million to $926 million. Students will feel this impact beginning in award year 2013-14. The likely result will be a reduction in the number of jobs available through the program and, even more important, in the number of students able to participate. The FWS program provides a necessary means of income for our nation’s lowest-income students, and the reduction in funding from sequestration will have a negative and lasting impact.

Program Need

It is imperative that the FWS program receive the funding level requested by the president. This funding ensures availability of job opportunities to help students complete their degrees in a timely manner. Any cut to the program would hinder students’ ability to fund their education, likely resulting in higher debt burdens. In addition to earning funds to help pay their postsecondary expenses, students gain valuable work experience through FWS.

Contact Information

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Federal Perkins Loan Program

Title IV, Part E, Higher Education Act

“My name is Marjani Green, and I am currently a senior at the George Washington University. I’ve been able to pursue my professional and academic goals because of the Federal Perkins Loan program. Higher education is very important in my family. But after my father was murdered, my mom found herself struggling financially at every turn as she tried to position me as best she could so that I could pursue a bachelor’s degree at the best university I could get into. I worked very hard and was blessed to be admitted into George Washington. This University is an amazing institution, but one that would have been hard to afford without significant aid. During my studies, I have relied on several forms of financial aid, and now I am graduating in May with my sights set on law school. George Washington has given me opportunities and access that people only dream of, and it goes without question that I would have never had these opportunities without the Federal Perkins Loan.”

Description

The Perkins Loan Program provides low-interest loans to the neediest college students. Colleges originate, service, and collect the loans, and they create a revolving fund to provide loans to future students. The federal government is authorized to add capital contributions every year, and colleges match a third or more which stretches federal dollars. Federal funds are required by law to reimburse the Perkins Loan Revolving Funds at schools that meet their obligation to cancel loans for borrowers who work in statutorily determined public service fields such as teaching, nursing, law enforcement, firefighting, the Peace Corps, child care, libraries, and the military.

Funding History (in millions)

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request*</th>
</tr>
</thead>
<tbody>
<tr>
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<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Cancellations</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

* The president proposes to create a new Unsubsidized Perkins Loans as a direct loan program serviced by government contractors, instead of funding the existing program.

Impact of President’s Budget

The Administration proposed to freeze and in the future eliminate the current campus-operated Perkins Loan program. Instead they propose to create a new $8.5 billion Unsubsidized Perkins Loan Program with the goal of incorporating additional institutions into the program and expanding loan availability. The current program offers better student benefits, such as an interest rate of 5 percent (versus 6.8 percent), does not charge interest during the in-school and grace periods, and contains more helpful cancellation options for many public service jobs. Institutions have been servicing Perkins Loans since the program was created in 1958. The Title IV contractors would service Unsubsidized Perkins Loans as a relatively small part of their Direct Loan servicing contracts. This proposal would require congressional action. The Department of Education announced in 2011 that the current program is, like most federal student aid programs, authorized at least until October 1, 2015, unless Congress acts before then. For now Congress should fund capital contributions, so institutions can provide loans to more low-income students in these tough economic times, and should meet its federal responsibility to reimburse institutions for loan cancellations.

Impact of Sequestration

With more than $279 million already owed to participating colleges and universities, sequestration will only make matters worse. Congress did not tell students to stop going into the public service professions designated for cancellation. Instead, more professions were opened to cancellation in the last Higher Education Act reauthorization, cancellations that are now taking effect. Rather than impose additional cuts to education through sequestration, Congress should take action and meet its obligation to reimburse campus Perkins Loan Funds for cancellations.
Program Need
To fund expected cancellations and as a down payment to cover part of past shortfalls as required by law, $125 million is needed. Ideally Congress would reimburse campus Perkins funds for all of the non-reimbursed cancellations owed, now totaling more than $279 million, including funds institutions themselves contributed to the Perkins Loan Program. The Federal Capital Contribution, authorized at $300 million per year, also must be funded for FY 2014. With institutional matching funds, this would make available $400 million for new loans, helping thousands of additional students. Perkins Loans provide low-cost loans to students who cannot borrow or afford more expensive private student loans and are a key part of making higher education accessible and affordable. The program also provides an important incentive for people who wish to go into public service by offering loan cancellations after five years of service in 16 public service professions.

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Leveraging Educational Assistance Partnerships (LEAP)

Title IV, Part A, Subpart 4, Higher Education Act

Since 2011, tens of thousands of students have lost access to LEAP grants and the associated State match. Most of these students, if they attended four-year schools, were likely receiving a Pell grant, a State grant, and the maximum allowed Stafford loan. Without LEAP, these students have no alternative means to fill the funding gap to continue their education. Loss of LEAP grants means many of these students would have been forced to drop out of college, depriving the U.S. economy of thousands of workers with the 21st century skills sought by employers.

Description
LEAP makes incentive grants to States to encourage the retention and expansion of need-based State grant programs. States must match LEAP funding, which is subject to maintenance of effort requirements.

Funding History (in millions)

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
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<tr>
<td></td>
<td>$0</td>
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<td>$0</td>
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Impact of President’s Budget
LEAP has not been funded since FY 2010, and the president’s FY 2014 budget proposal does not propose reinstatement of the program. This is unacceptable, especially given the tough economic times students and their families are facing. The traditional funding level of approximately $64 million historically generated over $1 billion in matching aid from State grant agencies to low-income college students. Many possible LEAP recipients will be unable to consider college attendance if LEAP grants of $1,000-$2,000 are not provided to fill funding gaps.
Program Need

Since its inception in 1972, the LEAP program has served millions of students. In the most recent funded year, more than half of LEAP recipients came from families with incomes of less than $20,000. The maintenance of effort requirements ensured continued State funding even in difficult budget times. Ending the federal matching funds may have led many States that established State grant programs explicitly because of the federal seed money to terminate or reduce funding for those programs. Because students receiving LEAP grants tend to come from lower income families, it is unlikely alternative sources of funds for college are available to them, resulting in many being forced to drop out of college. Maintaining the financial aid partnership between the federal and State governments will ensure hundreds of thousands of students can continue their college education.

Contact Information

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William D. Ford Federal Direct Loan Program

Title IV, Part D, Higher Education Act

The Direct Loan program helps millions of students achieve their postsecondary goals every year. At one four-year public institution, a high-achieving low-income student was admitted to the prestigious College of Business. The student was eligible for a full Pell Grant but, because it did not cover the cost of attendance, the student still had unmet need. It was the Direct Loan program that made the difference in this student’s ability to attend college. The student was able to borrow the remaining amount needed and had a successful college career.

Description

The U.S. Department of Education administers one major student loan program, the William D. Ford Federal Direct Loan Program (DL). This program covers four loan types: subsidized Stafford loans, unsubsidized Stafford loans, PLUS loans for parents of dependent students, and PLUS loans for graduate/professional students (all PLUS loans are unsubsidized). The program makes low-interest loans available to students and their families to pay the costs of postsecondary education and has become the largest federal student aid program. The program also provides other benefits such as loan forgiveness, income-based repayment, and borrower protections that help prevent students from defaulting on their loan obligations. These benefits and favorable loan terms make federal Direct Loans a better option for students and families than private or alternative student loans.

In June 2012 lawmakers approved a proposal to delay for one year a scheduled interest rate increase on subsidized Stafford Loans made to undergraduate students. The one-year extension of the student loan rate was covered in part by limiting the in-school interest subsidy to Subsidized Stafford loan borrowers to 150 percent of the normal time required to complete borrowers’ educational programs. After that time borrowers will no longer receive the interest subsidy on their Stafford loans, and interest will begin to accrue.

As of July 2012 graduate students no longer qualify for an in-school subsidy on federal loans. In addition, postsecondary students without a high school diploma or GED are no longer eligible for any type of student aid, including federal student loans.

A new student loan repayment program, Pay As You Earn (PAYE), was launched in December 2012. The program caps payments for Federal Direct Loans at 10 percent of discretionary income for eligible borrowers, down from 15 percent under the existing income-based repayment program. The Department of Education estimates as many as 1.6 million Direct Loan borrowers could reduce their monthly payments with this plan. The plan also forgives the balance of their debt after 20 years of payments, down from the current 25 years.

Impact of President’s Budget

The budget proposal restructures federal student loan interest rates so they are determined by the cost of government borrowing and are therefore more closely aligned with market rates. Specifically, rates would be constructed by using the base 10-year Treasury note rate plus add-ons of:

- 0.93 percentage points for Subsidized Stafford Loans.
- 2.93 percentage points for Unsubsidized Stafford Loans.
- 3.93 percentage points for PLUS Loans (Grad PLUS & Parent PLUS)

The proposal calls for interest rates to be determined annually and then fixed for the life of the loan. The budget does not propose a cap. In addition, the president’s request called for expansion of the current PAYE repayment plan to all student borrowers, past, present and future. PAYE, a form of Income Contingent Repayment (ICR) currently available only to a certain pool of borrowers, ensures loan payments do not exceed 10 percent of borrowers’ discretionary income and provides loan forgiveness after 20 years. Under the president’s budget, PAYE would extend to all student borrowers beginning July 1, 2014.

Impact of Sequestration

There is a special rule for the Direct Loan program under sequestration. The loan fee for Direct Subsidized Loans and Direct Unsubsidized Loans is increased from 1.0 percent to 1.051 percent, and the loan fee for Direct PLUS Loans is increased from 4.0 percent to 4.204 percent.

Contact Information

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Title IV, Part A, Higher Education Act

Over the last five years, 1,075 students at the University of Northern Iowa (UNI) have received TEACH Grants. Teacher candidates are pursuing careers in high-need fields including math, science, foreign languages, TESOL, technology education, and special education. The TEACH Grant is also one of the primary contributing factors for the university’s 7.6 percent reduction in student loan debt upon graduation. According to Brooke Reed, a UNI TEACH grant recipient, “Receiving this grant has been a tremendous help throughout my undergraduate program as well as the graduate program that I am currently enrolled in. I have been able to focus on my program and career goals while at UNI, feeling confident about my career in education rather than concerned with paying back the hefty loans that normally go along with a college education.”

Description

Teacher Education Assistance for College and Higher Education Grant Program (TEACH) is a mandatory spending program providing up to $4,000 a year for a maximum of $16,000 in grant aid to undergraduate and post-baccalaureate students who plan to become teachers. In addition, current teachers or retirees from high-need fields are eligible for $4,000 per year, for a maximum of $8,000, to pursue Master’s degrees. Within eight years of finishing the program, grant recipients must fulfill a four-year teaching obligation in high-need subjects (mathematics, science, special education, foreign languages, bilingual education, and reading) in schools receiving Title I funds. If the service obligation is not fulfilled, the grants convert to unsubsidized loans repaid with interest.

Funding History (in millions)

<table>
<thead>
<tr>
<th>FY 2012</th>
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<tr>
<td>$34.48</td>
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<td>$0</td>
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Impact of President’s Budget

The president’s FY 2014 budget eliminates the TEACH grant program, a successful federal grant program supporting high-achieving students to become teachers of high-need subject areas in high-need schools. The Administration proposes replacing the TEACH grants with the Presidential Teaching Fellows program. Unfortunately, the new program prioritizes a requirement for States to develop systems designed to rank preparation programs rather than supporting high-achieving college students who seek to become teachers in underserved schools. Moreover, because most States do not have the capacity to develop the complex systems required to rank preparation programs, the ratings would be based on measures that have not proven to be valid. In addition, the new program only requires a three-year teaching commitment from grant recipients while the current program requires a four-year commitment.

Impact of Sequestration

The Office of Management and Budget has determined the sequester will result in a 7.1 percent cut to TEACH grants. Sequestration will reduce the number of students who may participate in this program, resulting in fewer individuals committing to teach in shortage fields in the nation’s neediest schools.

Program Need

Over the last five years, grants have been awarded to more than 100,000 teacher candidates who maintain at least a 3.25 GPA and commit to four-year service obligations with high-need students. With the nation in the midst of severe teacher shortages in many high-need subject areas and schools, federal investments in recruitment and retention of well-qualified teachers are essential. The TEACH Grant program has been successful in attracting teachers to teach in the most challenging classrooms. The top three subject areas taught by TEACH recipients are math, science, and special education.

Contact Information

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High School Equivalency and College Assistance Migrant Program (HEP-CAMP)

Section 418A, Higher Education Act

Concepción has blossomed from a shy college freshman to an outgoing engineer. She served as president of the New Mexico State University’s Concrete Canoe Team and served as a CAMP Learning Community Leader for two years, mentoring CAMP freshmen living on campus. Concepción has interned at the Texas Department of Transportation for the past two summers, and now she has offers from nine different corporations in the United States, Canada, and Mexico eager to bring her on board after she graduates in May.

“The CAMP program has allowed the calluses on my hands to heal and my mind to grow.”
- Concepción Mendoza, Civil Engineering Technology, New Mexico State University CAMP

Description

Farm worker migrant and seasonal worker students are among the most disadvantaged and at risk of all students. Their dropout rate is among the highest, and they encounter tremendous obstacles in completing high school and pursuing higher education. For over three decades, the High School Equivalency (HEP) and College Assistance Migrant Program (CAMP) initiatives have been successful in helping to close the access and completion gaps for many low-income farm worker migrant and seasonal worker students. The HEP/CAMP program is the only federal program targeting this population to provide them with educational opportunities and support to get a GED and pursue and succeed in higher education. The HEP helps students who have dropped out of high school earn a GED. The CAMP assists these students in their first year of college with academic and personal counseling, stipends, and other support services.

Funding History (in millions)

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<tr>
<th>FY 2012</th>
<th>FY 2013</th>
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<tbody>
<tr>
<td>$36.53</td>
<td>$34.62</td>
<td>$36.53</td>
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[Graph showing funding history from FY 2002 to FY 2014]
Impact of President’s Budget

The president’s FY 2014 budget provides $36.53 million for HEP/CAMP, a freeze in funding for these important programs. The FY 2014 request would support approximately 43 HEP projects and 39 CAMP projects, as well as outreach, technical assistance, and professional development activities. Currently there are 82 HEP/CAMP programs at institutions of higher education throughout the United States. These services are in high demand, and much greater funding is required to meet the needs of farm worker migrant students across the country to ensure they have access to educational and job opportunities.

Impact of Sequestration

While the exact impact of sequestration is still unknown, the HEP/CAMP programs will likely be significantly impacted. There will be several fewer programs as a result of sequestration, causing program staff to lose their jobs. Most important, farm worker migrant and seasonal workers will likely lose opportunities to pursue higher levels of education and secure higher paying employment.

Program Need

The Higher Education Opportunity Act of 2008 recognized the importance of the HEP/CAMP program by increasing the authorization levels to $75 million, an increase of $55 million. Funding at the authorized level must be provided to ensure these students have equal opportunity to receive a quality education.

Contact Information

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Federal TRIO Programs

Title IV, Part A, Subpart 2, Chapter 1, Higher Education Act

“I was motivated to be the first in my family to go to college, but I had no idea how to get there and no one in my family knew how to help me. Through Talent Search, I toured local universities and started looking at what classes I needed to take not just for graduation, but for college entrance and success. When I got pregnant at 16, everyone in my life thought I had sealed my fate and was destined to menial jobs and a life in poverty. But TRIO helped me stay on course to college. I ended up not only graduating from high school, but doing it a semester early. I went on to earn a BA in History-Secondary Education and my Master’s in Educational Administration. I came full circle as a high school teacher working with at-risk students. Because of the investment made in me, my sons will never need TRIO. ‘First generation TRIO equals last generation poverty.’”

Description

The TRIO programs provide a pipeline of educational outreach and supportive services to approximately 790,000 low-income students ranging from sixth graders to doctoral candidates, including military veterans, adult learners, and students with disabilities. Through seven programs (Talent Search, Upward Bound, Upward Bound Math-Science, Student Support Services, Ronald E. McNair Postbaccalaureate Achievement, Educational Opportunity Centers, and Veterans Upward Bound), TRIO motivates and prepares individuals from families with incomes below 150 percent of the poverty level and in which neither parent has graduated from college. With nearly 3,000 projects across the country, TRIO operates in virtually every congressional district in the United States and several independent territories.

Funding History (in millions)

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<tr>
<th>FY 2012</th>
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<tbody>
<tr>
<td>$839.93</td>
<td>$796.00</td>
<td>$839.93</td>
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</table>
Impact of President’s Budget

While the president’s budget proposes to restore TRIO funding to its pre-sequestration funding level, it does not address the needs of the 88,000 students who have lost access to TRIO services since FY 2005. The majority of these 56,000 students were lost due to funding cuts during the Obama Administration.

Impact of Sequestration

As a result of sequestration, TRIO lost $43.93 million in funding, which eliminated access to educational support services for approximately 44,000 students. This comes on top of a net loss of $70.3 million and 51,000 students over the last two years.

Program Need

We request Congress restore the $114 million in funding and 52,000 students stripped from the TRIO programs since FY 2011. This would help send more veterans back into the classroom through Veterans Upward Bound, and steer more out-of-work and underemployed adults into education programs to boost their employability through Educational Opportunity Centers. In addition, restoring funds would increase retention and graduation rates among low-income college students through the Student Support Services program and preserve opportunity for underrepresented students to pursue doctoral degrees through the McNair Postbaccalaureate Achievement program. Restored funding will also mean preparing young minds for the rigors of college through the Talent Search, Upward Bound, and Upward Bound Math-Science programs.

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Students Served in Trio Programs
(FY 2005-2011)

SOURCE: Council on Opportunity in Education
Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP)

Title IV, Part A, Subpart 2, Chapter 2, Higher Education Act

“Being a GEAR UP student was a profound experience. The GEAR UP staff tremendously aided my preparation to make the transition not only from high school to college but also from young adult to woman. Some of the information I received being a GEAR UP student I otherwise would never have asked about, but it was information that I needed and has helped me transform into the college student I want to be. GEAR UP helped prepare me to make time management adjustments and gave me financial aid advice along with advice concerning life as a whole.”

- Rosie Powell, GEAR UP, Class of 2011, Valley High School, Elk Grove, CA
Bachelor of Science in Nursing, Class of 2015, Howard University

Description
GEAR UP, a competitive grant program that increases the number of low-income students prepared to enter and succeed in postsecondary education, provides services at high-poverty middle and high schools. The program serves at least one grade level of students, beginning no later than the 7th grade, following them through high school graduation into their first year of college. GEAR UP provides critical early college awareness and support activities, including tutoring, mentoring, academic preparation, financial education, and college scholarships, to improve access to higher education for low income, minority, and disadvantaged first-generation students and their families. The program also supports State and local education reform initiatives, fostering sustained systemic change in middle and high schools. GEAR UP mandates cooperation among K-12 schools, institutions of higher education, local and State education entities, businesses, and community-based organizations. These dynamic partnerships are required to leverage local resources to match federal funding dollar for dollar, effectively doubling the community’s investment in supporting youth on their way to college readiness and completion.

Funding History (in millions)

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<th>FY 2012</th>
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<tr>
<td></td>
<td>$302.24</td>
<td>$286.44</td>
<td>$302.24</td>
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Impact of President’s Budget
Restoring funding to pre-sequestration levels at $302.24 million would allow GEAR UP to continue to support States and communities in their efforts to provide equal opportunities to a quality education for low income, minority and disadvantaged students. Additionally, restored funding plus funds from expiring 2009 grants would enable the U.S. Department of Education to host a new competition cycle in FY 2014. This could expand the program’s geographic reach to communities and/or States that have not been served by GEAR UP in the past, but the total number of students served would remain roughly the same. On average, GEAR UP grants serve approximately 4,000 students. Therefore, more than one million identified potential students will continue to be underserved and without the supports they require to prepare to enter and succeed in postsecondary education.

Impact of Sequestration
GEAR UP funding was cut by $15.81 million in FY 2013, effectively reducing the program’s capacity to serve 30,000 students. If sequestration remains in place in FY 2014, it would impact the funds available to host a new competition and the number of new awards. This would further shrink the total number of grants across the country, putting the program’s medium-term (FY 2021) continuity and sustainability in a precarious situation. Furthermore, approximately 100 education professionals could lose their jobs as a direct consequence of sequestration.
**Program Need**

Despite GEAR UP’s demonstrated success in increasing high school graduation and college enrollment rates, as well as in improving college awareness and readiness for low income students, only a fraction of eligible students and communities benefit from the program. Moreover, the program has sustained more than $36 million in funding cuts over the last three years. In an independent study by the New America Foundation titled *Rebalancing Resources and Incentives in Federal Student Aid*, GEAR UP is cited as “the most promising of these [college outreach] programs.” The study calls for tripling funding for GEAR UP to expand grantees’ capacity to serve multiple cohorts.

**Contact Information**

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Title III and Title V: Institutional Aid

Titles III and V, Higher Education Act

Description

Titles III and V of the Higher Education Act provide direct grants to institutions of higher education serving a disproportionate number of minority, low-income, and first-generation college students. The institutions, which have to demonstrate lower than average per student expenditures, rely on these highly competitive awards to improve educational programs and related services for low-income and historically underrepresented populations. Eligible entities include institutions of higher education with specific programs for Historically Black Colleges and Universities, Tribally Controlled Colleges and Universities, Alaska Native and Native Hawaiian-Serving Institutions, Predominantly Black Institutions, Asian American and Native American Pacific Islander-Serving Institutions, Native American-Serving Nontribal Institutions, and Hispanic-Serving Institutions.

Funding History *(in millions)*

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<th>FY 2012</th>
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<tr>
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<tr>
<td>(mandatory)</td>
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<tr>
<td>Total</td>
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* These mandatory totals include funds provided by the Student Aid and Fiscal Responsibility Act (SAFRA) within the Health Care and Education Reconciliation Act of 2010 (P.L. 111-152) as well as mandatory appropriations provided under Title VIII, Part AA, Sections 897 and 898 of the HEA.

Impact of President’s Budget

The Administration proposes to freeze discretionary funding for these programs. Funding for Title III and Title V programs provide much needed resources to colleges serving the majority of disadvantaged and minority students, precisely the students who will make up the majority of tomorrow’s workforce. Given the current economic downturn, significant funding is needed to ensure these institutions can maintain programs and expand their capacity to serve the growing number of minority and disadvantaged students.

Impact of Sequestration

Support for Title III programs would decrease in the amount of $22.55 million for an overall programmatic discretionary total of $408.55 million, significantly reducing the number of anticipated new awards in 2014. For Title V programs, the reduction is estimated to be $5.73 million for an overall programmatic discretionary total of $103.72 million.
Since FY 2008, there has also been mandatory funding provided for Institutional Development. Included in the FY 14 budget is $278 million.

Program Need

Strengthening Institutions grants enable colleges to better serve large percentages of minority and disadvantaged students. Funds support programs that provide equal educational opportunity and strong academic programs and are used for improvements in instructional facilities, scientific equipment, curriculum development, faculty development and other areas that promote access and success.

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International Education Programs and Foreign Language Studies

Title VI, Higher Education Act
Section 102(b)(6), Mutual Educational and Cultural Exchange (Fulbright Hays) Act

Description
Title VI programs support comprehensive language training, study of world areas and cultures, academic research, curriculum development, and extensive outreach to educational institutions, including K-12. In addition, funds support strong collaborations between four-year postsecondary institutions and community colleges and strengthened ties between American postsecondary institutions and international partners. These efforts promote global competencies for American students, enhance our understanding of people around the world, and increase the nation’s economic competitiveness. Title VI programs offer resources and expertise, which are important tools in serving the nation’s business, diplomatic, defense, and national security needs. Programs also enable university collaborations on international issues with federal, State and local agencies, business and industry, and the military. The Title VI-Fulbright Hays programs support overseas study and research opportunities for American students and faculty.

Funding History (in millions)

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<thead>
<tr>
<th></th>
<th>FY 2012</th>
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<tr>
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<td>$74.04</td>
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Impact of President’s Budget

The president’s budget would restore the FY 2013 sequestration cut and add $6.9 million, acknowledging the importance of the Title VI and Fulbright-Hays programs. However, Title VI programs were hit with a $50 million cut in FY 2011, which still leaves a significant deficit. Title VI programs focus on increasing the global competency of U.S. students, including those from traditionally disadvantaged groups, and support the country’s international and foreign language education infrastructure. Given the 44 percent funding reduction since FY 2011, nearly half the resource centers that form the cornerstone of the nation’s deep international knowledge and expertise could be lost. Intensified efforts are needed to address the severe shortage of American citizens who can speak less commonly taught languages and to strengthen our competitive advantage.

Impact of Sequestration

Recent cuts have eroded the federal investment in international engagement across professions. The FY 2013 sequester will result in further reductions. These cuts are occurring during a time of growing need for global understanding and foreign language proficiency. Institutions receiving Title VI support have already had to make difficult choices about which programs they can continue, and a large number of students have been adversely affected. The federal funds provide a small but vitally important part of the investment, which leverages significant additional public and private support. Without a strong base of federal support, universities are unlikely to be able to continue the centers on their own.

Program Need

A new infusion of funding for Title VI/FH is needed to strengthen the investment in international education and to ensure a robust pipeline of individuals and professionals with global understanding and deep language expertise. The FY 2014 budget is particularly critical, because the premier Title VI language, area, and international business resource centers and fellowships will compete for the next cycle of four-year grants. Additional funding would enhance the capacity of the National Resource Centers, increase the number of undergraduate and graduate fellowships in foreign language and area training, broaden the availability of instruction in critical foreign languages, and infuse an international dimension into professional education. More funding would also increase the training of American business personnel to compete globally and increase strategic collaborations within and among educational institutions.

Contact Information

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Title VII, Higher Education Act

Description
The primary federal scholarship assistance for graduate students in the Department of Education is provided through the Graduate Assistance in the Areas of National Need (GAANN) Program. The Jacob K. Javits Fellowship Program which awarded highly competitive portable fellowships to students pursuing graduate degrees in the social sciences, the arts, and the humanities, was consolidated into GAANN in FY 2011, and new Javits fellowships are no longer funded. GAANN provides fellowships through competitive awards to institutions for graduate students of superior academic ability who also demonstrate financial need. Institutions receiving funds must seek talented students from underrepresented backgrounds, and their scholarship must be in academic fields deemed to be in areas of national need.

Funding History (in millions)

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<tr>
<td>Javits</td>
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*Consolidated into the GAANN Program.

Impact of President’s Budget
The president’s budget would continue GAANN funding at the same level the program has received every year since FY 2009. The president restores the sequestration cut and recommends continuation awards for 100 Javits fellows in their last year of funding.

Impact of Sequestration
The $1.6 million cut in GAANN in FY 2013 as a result of sequestration is significant. That cut is exacerbated by the loss of $9 million in Javits funding that has not been restored. Further, the demonstrated need for GAANN far exceeds the funds available. Federal support for talented graduate students is a key element in driving excellence and innovation in business, academia, and government, and in contributing to our nation’s renewed economic well-being.

Program Need
A stronger national commitment to graduate education is needed to assure a continued pipeline of skilled workers in all sectors of the economy, as well as qualified professors who will mentor and train the teachers and students of tomorrow. The continued erosion of federal graduate fellowship support over the past several years and the more recent loss of Javits funds are affecting talented and knowledgeable individuals at the top research universities. These individuals could add to our nation’s economic competitiveness, innovation, and national security in areas business leaders have indicated are necessary to keep America competitive.

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Child Care Access Means Parents in School (CCAMPIS)

Title IV, Higher Education Act

At St. Louis Community College (STLCC) the Child Care Access Means Parents in School program serves low-income, Pell-eligible students with financial support for their child care needs. The CCAMPIS program also provides educational workshops on financial management, literacy, educational play and child development, success strategies for college parents, and children’s physical and mental health. More than 300 students have participated in STLCC’s CCAMPIS program since 2009. With this assistance, STLCC has been able to provide a sliding scale fee for campus childcare services, maintaining a low campus care hourly rate.

Description

Created by the Higher Education Amendments of 1998, the CCAMPIS program supports the participation of low-income parents in postsecondary education through campus-based child care services. Grants ranging from $10,000 to more than $300,000 are awarded through a competitive process to institutions of higher education that enroll large numbers of Pell Grant recipients. In addition to campus-based child care for infants and toddlers, the program also funds before- and after-school care for older children and parenting classes.

Funding History (in millions)

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<tr>
<th>FY 2012</th>
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<tr>
<td>$15.97</td>
<td>$15.13</td>
<td>$15.97</td>
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Impact of President’s Budget

While there are hundreds of campus child care centers in the United States, they are only able to meet a small percentage of the demand for services. Expanding access to on-campus childcare helps increase access to higher education for low-income students and increases retention, especially for single parents.

Impact of Sequestration

The effect of sequestration on this program will mean hundreds of low-income students with dependent children currently enrolled in campus-based childcare programs will have to pay more for child care, reduce their course loads, or withdraw from college.

Program Need

The president’s proposal freezes funding for the program at $16 million. While this funding level will support 55 existing projects and 100 new projects, more is needed to meet the demand. Without an increased investment, thousands of low-income students across the country continue to lack access to quality childcare. This directly impacts college enrollment for students with young children and is often cited as the reason why they withdraw prior to completing a certificate or degree.

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Title II, Higher Education Act

After a short time in an unsatisfying corporate sales career, Erin Blinck returned to school to fulfill her dream of being a mathematics teacher. She completed a teacher residency through Georgia State University’s NET-Q program, funded by the Teacher Quality Partnership Grant Program. As a NET-Q teacher resident, she served full time in the classroom under the supervision of a master teacher for an entire school year while she also completed her master’s coursework. The NET-Q program prepared Ms. Blinck to move into a classroom at a Title I school with the knowledge and skills she needs to effectively foster student learning.

Description

The Teacher Quality Partnership (TQP) grant program is a competitive program that partners institutions of higher education with high need local school districts to reform teacher preparation. At the heart of the TQP program is the reorientation of teacher preparation around clinical practice and teacher residencies, the implementation of a more authentic integration of education curriculum with the arts and sciences, and the development of metrics to evaluate the effectiveness of program graduates once they enter the classroom. Graduates of TQP funded programs are required to serve in a high need school for three years, ensuring that the best prepared and effective teachers are serving where they are needed the most.

Prior to FY 2008 funds were provided under the antecedent Teacher Quality Enhancement program.
Funding History (in millions)

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<tr>
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* Funding would be subsumed under the proposed “Effective Teachers and Leaders State Grants.”

Impact of President’s Budget

The president’s budget would eliminate this program, ending the federal government’s only investment in the reform of higher education-based teacher preparation which trains nearly 90 percent of all teachers. The budget includes the proposed Effective Teachers and Leaders State Grants, which would include a general set-aside for the preparation of teachers and leaders. However, there is no dedicated investment for clinical and teacher residency preparation. This is particularly troubling in light of recommendations calling for an increase in clinical residencies as part of teacher preparation programs from the profession as well as organizations including the Council of Chief State School Officers, the American Federation of Teachers, the National Association of State Boards of Education, the National Council for Accreditation of Teacher Education, and the National Education Association.

Impact of Sequestration

Sequestration has cut $2 million from TQP grants. This has forced grantees to limit the number of students benefiting from this rigorous training. Many of the over 500 high-need schools in partnerships with grant recipients will not get the teachers they need. It will mean significant reductions in professional development opportunities for teachers in high-need schools, fewer induction and mentoring programs for new teachers, and limited implementation of curriculum reforms in teacher preparation programs. The sequester will also prevent partnerships from building data systems capable of tracking graduates in the teaching field and providing necessary information on teacher employment and retention, the impact of teachers on student learning, and the effectiveness of preparation programs.

Program Need

Institutions of higher education prepare nearly 90 percent of all new teachers. Preparation programs must ensure teachers have the content knowledge and pedagogical skills to be successful in the classroom. Funding should be increased to support the development of programs that include extensive clinical and induction components. Research shows both factors are key elements of teacher quality and retention. Grants can be used to strengthen clinical components of pre-baccalaureate teacher preparation and to develop one-year master’s level teaching residency programs geared toward preparing career changers to teach in high-need subject areas and schools. As unemployment persists, this program is ideal to help individuals who are seeking a stable rewarding new career. The first grants for this newly authorized program were awarded in September 2009 and a second round in March 2010.

Contact Information

Jon Gentile
American Association of Colleges for Teacher Education
(202) 478-4506 • jgentile@aacte.org
Community College to Career Fund

Proposed Legislation

Description
The Administration proposes to create a new Community College to Career Fund that builds on the Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grant program. The new Community College to Career Fund is designed to train workers with skills that lead directly to employment in high-growth and high-demand sectors. Jointly administered by the Departments of Education and Labor, the fund would provide $8 billion over three years to expand partnerships between community colleges and businesses to train more skilled workers. In addition to providing training, funds could be used to identify critical workforce needs and to develop standardized industry certifications, new training technologies, and competency-based assessments to enable individuals to get credit for prior learning. The fund also would support work-based training to allow students to gain relevant work experience while earning credits.

Funding History (in millions)

<table>
<thead>
<tr>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
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<tr>
<td>—</td>
<td>—</td>
<td>$4 billion*</td>
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</table>

*Mandatory funding. An additional $4 billion would be provided through the Department of Labor

Impact of President’s Budget
Given the current skills gap for unemployed individuals and the job openings for highly skilled workers, the Administration wants to provide community colleges with the resources to train thousands of Americans for good-paying jobs. First proposed in last year’s budget, the fund would begin providing resources in FY 2015, the year after TAACCCT Grant funding expires.

Program Need
With tight State and local budgets, community colleges need additional resources to meet the tremendous demand for training services.

Contact Information

James Hermes
American Association of Community Colleges
(202) 728-0200 • jhermes@aacc.nche.edu

Laurie Quarles
American Association of Community Colleges
(202) 728-0200 • lquarles@aacc.nche.edu
Race to the Top: College Affordability and Completion

Title XIV, Section 14006, American Recovery and Reinvestment Act

Description
The president proposes to restructure the current Race to the Top program, which provides funds for both early learning and K-12 reforms, into a new competitive grant program. This program would assist States to develop and implement systemic reforms in higher education focused on reducing costs for students and promoting success in higher education at public colleges.

In exchange for the federal grants, governors and State legislatures would agree to:
- Sustain State financing of higher education while constraining costs and improving outcomes.
- Ease transitions between high school and college and transfers among higher education institutions.
- Remove barriers that prevent the creation of innovative methods of student learning and new degree pathways.
- Increase transparency.

Funding History (in millions)

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<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
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<tr>
<td>Race to the Top</td>
<td>$548.96</td>
<td>$520.25</td>
<td>$1,000.00</td>
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</table>

*Note: In FY 2012, the Department of Education awarded $383 million to 16 Race to the Top-District (RTT-D) applicants representing 55 local school districts. The Department also made awards totaling $133 million to five additional States that submitted applications in the FY 2011 Race to the Top – Early Learning Challenge (RTT-ELC) competition. About $370 million of the FY 2013 funds will be used for a second Race to the Top-Early Learning Challenge competition, and approximately $120 million will be awarded in a second round of the Race to the Top-District competition.

Impact of President’s Budget
This program will reward States committing to reforms that increase access to higher education for students from low-income families, improve the quality of programs, ensure more students complete their degrees, and address affordability. States would use the funds, among other purposes, to provide greater value to students through improved undergraduate experiences, new paths to credit attainment and degrees, and increased capacity. These investments would simultaneously focus on quality and productivity. This focus reflects the Administration’s belief that States and institutions should strive to increase the quality and rigor of the education they provide while making that education available to more students. The Administration anticipates making between four and ten awards in FY 2014.

Program Need
Public institutions serve two-thirds of four-year college students. Therefore, it is important to address causes of rising costs, assure quality postsecondary programs, and improve students’ productivity and completion rates. The new funds will help States develop and implement cost-saving measures, such as redesigning courses and making better use of education technology, to help institutions keep costs down and provide greater affordability for students.

Contact Information
Joel Packer  
Committee for Education Funding  
(202) 383-0083 • jpacker@cef.org
Title VII, Part B, Higher Education Act

Description
The president’s budget proposes the Department of Education use its discretionary grant authority under the Fund for the Improvement of Postsecondary Education (FIPSE) to initiate a new First in the World (FITW) competition to improve the long-term productivity in higher education. The FITW competition would use a tiered-evidence framework modeled on the Investing in Innovation program which identifies, validates, and brings to scale innovative and effective practices. Grants would focus on increasing student learning and the number of students completing college within 100 percent of expected time or transferring from a 2-year to a 4-year institution; closing gaps in completion rates between different populations; reducing the net price paid by students; or, achieving other results that help improve postsecondary attainment.

Funding History (in millions)

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<th></th>
<th>FY 2012</th>
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<tr>
<td>FIPSE grants</td>
<td>$3.49</td>
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<td>$10.96</td>
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<td>FITW grants</td>
<td>—</td>
<td>—</td>
<td>$247.27</td>
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</table>

Impact of President’s Budget
Of the total amount, $175 million would be used to support an evidence-based grant competition, with up to $100 million directed to projects designed to improve college access and selection for high-need students. An additional $75 million would support projects to develop validation systems for competency-based learning and make performance-based Pay for Success awards for free 2-year degrees. The Administration expects to issue 27 awards under the broader grant competition and 15 Pay for Success Awards. The $11 million in remaining FIPSE funds would be used for continuation costs for projects previously funded under Model Transition Programs for Students with Intellectual Disabilities in Higher Education.

Program Need
The FITW competition is part of the federal effort to drive innovation at the institutional level and to fund promising projects that, after rigorous evaluation, might be successfully replicated and brought to scale. For example, FITW will provide funds to improve enrollment, including at selective institutions, and college completion for low-income students. FITW will support the president’s goal for the nation to lead the world in college attainment by 2020.

Contact Information
Joel Packer
Committee for Education Funding
(202) 383-0083 • jpacker@cef.org
Part IV: Forging Success – Educational Research, Statistics and Improvement

Title I, Education Science Reform Act

Description
The Institute of Education Sciences (IES) houses major programs of federal education research and development, statistics, assessments, and program evaluation. The IES director oversees the operation of the Institute through four national centers: National Center for Education Research, National Center for Education Statistics, National Center for Education Evaluation and Regional Assistance, and the National Center for Special Education Research.

Funding History (in millions)

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<th></th>
<th>FY 2012</th>
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<tr>
<td></td>
<td>$593.66</td>
<td>$562.61</td>
<td>$671.09</td>
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</table>

Impact of President’s Budget
The Administration’s request for FY 2014 would enable IES to award at least $53.5 million in new research and development grants in early learning and elementary, secondary, and postsecondary education and at least $5 million for new research and development awards in special education. The National Center for Education Statistics would receive an additional $14 million to support State participation in the Program for International Student Assessment (PISA) and to collect certain National Postsecondary Student Aid Survey (NPSAS) data every two years. In addition, the Statewide Data Systems program would receive an additional $46.9 million for initiatives to improve information on students as they move from high school to postsecondary education and the workforce and for new grant awards. The request also would continue the Administration’s commitment to supporting the Regional Educational Laboratories, the Assessment program, and Special Education Studies and Evaluations.

Impact of Sequestration
State and local school improvement efforts have called attention to the need for a more robust research platform to support education innovation. While the president’s budget request acknowledges the need for increased quality research, sequestration cuts would represent a serious setback in the attempt to provide adequate investment to support a broad range of research, development, and evaluation activities demanded by educators and policymakers.

Program Need
The president’s proposed increase would support investments in research, development, and evaluation to build a rich evidence base on what works and make this evidence more accessible to practitioners and policymakers. Despite decades of education research and the recent growth in research that explicitly addresses improving learning in subjects such as reading and mathematics, there continue to be many unanswered questions about how children and adults learn in these areas and how best to support that learning. Continued investment in long-term programs of research is necessary to accumulate empirical knowledge and develop theories that will ultimately result in improved academic achievement.

Contact Information
John Waters
Knowledge Alliance
(202) 507-6277  •  waters@knowledgeall.net
Regional Education Labs

Title I, Education Science Reform Act

The 2009 Nevada State Legislature mandated adoption of a statewide growth model for school accountability purposes. In 2011 the legislature voted to extend the use of growth model data to educator evaluation, but use of such data in high-stakes decisions has been outpacing the research to support it. At the request of the Nevada Department of Education (NDE), REL West researchers examined the reliability of school-level growth scores from year to year. As is often the case with growth measures, scores measuring change over a single year were found to be unstable. Researchers reported to NDE that multiple years of growth data should be used in order to reliably measure school-level growth in achievement. A Nevada district superintendent commented, “The work I was presented by REL West on our growth model was some of the most helpful and important information we’ve received.” This research has the potential to improve the system for evaluating 22,500 Nevada teachers in 626 schools by assisting the State to improve the quality of growth measures.

Description

The Regional Educational Laboratory Program is composed of a network of 10 laboratories that serve the education reform and school improvement needs of designated regions through conduct of rigorous research studies and rapid response reports.

Funding History (in millions)

<table>
<thead>
<tr>
<th>Year</th>
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<tr>
<td></td>
<td>$57.43</td>
<td>$54.42</td>
<td>$57.43</td>
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Impact of President’s Budget

Funds under the president’s budget request would be used to support the third year of the five-year REL contracts at the FY 2012 level and would continue the important work of the RELs in providing a bridge between education research and practice. This investment continues to emphasize the need for conducting and disseminating rigorous research, while also addressing stakeholder concerns and ensuring REL activities are aligned with other federal education investments and initiatives.

Impact of Sequestration

Additional reductions in the REL budget would seriously constrain the ability to complete studies currently underway, in addition to reducing the scope of work that could be undertaken in future years.

Program Need

Districts and schools throughout the nation are under intense pressure to raise student achievement and close achievement gaps. Education policymakers and other decision-makers have never been more in need of trustworthy education research, as well as guidance in how to use it. The RELs serve as a necessary bridge between education research and practice, with an emphasis on providing technical assistance in performing data analysis functions, evaluating programs, and using information from State longitudinal data systems for research and evaluation that address important issues of policy and practice.

Contact Information

John Waters
Knowledge Alliance
(202) 507-6277 • waters@knowledgeall.net
Title I, Education Science Reform Act

Description
This budget line provides support for the Department’s core education research programs. It includes the National Research and Development Centers that address specific topics such as early childhood development and learning, testing and assessment, and reading comprehension. These funds also support the What Works Clearinghouse, the Education Research Information Clearinghouse, and impact studies.

Funding History (in millions)

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<th>FY 2012</th>
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<tr>
<td>$189.79</td>
<td>$179.86</td>
<td>$202.27</td>
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Impact of President’s Budget
The president’s request for FY 2014 includes an increase of $12.5 million over the FY 2012 level. The requested increase would support critical investments in education research, development, dissemination, and evaluation that provide parents, teachers, and schools with evidence-based information on effective educational practice. The request would enable IES to conduct competitions for new awards across education research areas supporting the development and testing of practical approaches to improve education outcomes for all students. The request also includes funds to support a new program, Partnerships and Collaborations Focused on Problems of Practice or Policy. This program would support research focused on understanding strategies that foster continuous improvement at the education system level.
Impact of Sequestration

The federal investment in education R&D, even with the proposed $12.5 million increase, continues to be among the smallest across all federal research agencies and is simply inadequate to support development and assessment of evidence-based programs demanded by educators and policymakers. Further reducing this investment through the mechanism of sequestration would eliminate the possibility for any new grants under existing programs of research and development.

Program Need

While the programs within IES provide a structure and leadership for research, development, and dissemination, all three activities suffer due to having inadequate resources. Additional support to investigate issues of scaling up and diffusion of knowledge is critical to achieving school reform.

Contact Information

John Waters
Knowledge Alliance
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Title I, Education Science Reform Act

Description

The National Center for Education Statistics (NCES) provides objective and scientifically based statistical reports on the condition of education in the United States. The Center conducts an integrated set of longitudinal studies invaluable to policymakers and analysts in appraising a range of education topics. Additionally, NCES works collaboratively with States to develop systems to meet the education data needs of the future. Data from the statistics and student assessment programs, both domestic and international, help policymakers set curriculum, instruction, and student-performance standards.

Funding History (in millions)

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<th>FY 2012</th>
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<tr>
<td></td>
<td>$108.75</td>
<td>$103.06</td>
<td>$122.75</td>
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Impact of President’s Budget

The president proposes a $14 million increase for NCES. Increased funding would support development of procedures permitting individual States to compare the performance of their students with those of other countries participating in the Program for International Student Assessment (PISA). Additional funds would also increase the agency’s capacity to provide technical assistance to States to improve the quality of student databases and U.S. participation in a new international assessment of adult competencies. The increase also would permit NCES to begin collecting National Postsecondary Student Aid Survey (NPSAS) data every two years.
Impact of Sequestration

Reductions in the NCES budget have both immediate and long range negative consequences. Immediately, a substantial reduction will threaten the ability of the agency to assure continued quality and utility of ongoing databases that have proven to be beneficial to federal, State, and local education policymakers. Efforts to assist States in developing their improved data systems will be scaled back, and participation in the PISA study will be jeopardized. In the longer term the amount of the proposed sequestration will preclude NCES from undertaking new surveys to meet policymakers’ information needs.

Program Need

In addition to maintaining and expanding its current databases and surveys, NCES needs to move forward aggressively with strategies that will meet the data needs of the future: increasing the capacity of States to develop and utilize new databases; exploration of new technologies for gathering data; focusing on education achievement in institutions of higher education, and advancing training in new techniques, data development and analysis.

Contact Information

Gerald Sroufe
American Educational Research Association
(202) 238-3200 • jsroufe@aera.net
National Assessment of Educational Progress

Title I, Education Science Reform Act

Description

The National Assessment of Educational Progress (NAEP) is the only representative and continuing assessment of American students’ achievement. NAEP “report cards” report on the educational achievement of students at specific grade levels and can be augmented to provide information about special subpopulations (e.g., minorities, urban schools). It provides an objective national standard for appraising State-developed achievement standards and makes objective information on student performance available to policymakers, educators, parents, and the public.

Funding History (in millions)

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<th>FY 2012</th>
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<th>FY 2014 President’s Request</th>
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<tr>
<td>$</td>
<td>$129.62</td>
<td>$122.84</td>
<td>$124.62</td>
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Impact of President’s Budget

President Obama proposes to reduce funding for national assessment by $5 million below the FY 2012 level. The Administration suggests even with this reduced funding the agency will be able to meet its mandated assessment schedule. No evidence of the agency’s ability to meet the congressionally mandated schedule of regular assessments or the mandated special assessments is provided to support this assertion.

Impact of Sequestration

Assessment frequency is established by statute, and this schedule will be maintained even under sequestration. However, additional assessment activities that have proven beneficial to policymakers, such as assessments of urban school districts, would be reduced substantially. The growing interest in application of NAEP to assessment of college and career readiness will be thwarted.

Program Need

National and State school reform efforts depend on objective and comprehensive measures of student achievement. NAEP provides the gold standard of student assessments, but it measures only a few subjects on a regular basis and needs to expand its portfolio of subjects to provide policymakers with more comprehensive information. Additionally, NAEP must reassess its role in light of the growing number of State-level consortia and new assessment procedures.

Contact Information

Gerald Sroufe  
American Educational Research Association  
(202) 238-3200  • jsroufe@aera.net
Research in Special Education/Special Education Studies and Evaluation

Title I, Education Science Reform Act

Description
This account supports research to address gaps in scientific knowledge necessary to improve special education and early intervention services and results for infants, toddlers, and children with disabilities. Special Education Studies and Evaluation funds support competitive grants to assess the implementation of the Individuals with Disabilities Education Act (IDEA) and the effectiveness of special education and early intervention programs and services.

Funding History *(in millions)*

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<thead>
<tr>
<th></th>
<th>FY 2012</th>
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<tr>
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<tr>
<td>Studies and Evaluation</td>
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<td>$10.82</td>
<td>$11.42</td>
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</table>

Impact of President’s Budget
The president’s budget proposes $59.9 million in FY 2014 for Research in Special Education, an increase of $12 million over FY 2013. In addition, the president’s budget requests $11 million in FY 2014 for Special Education Studies and Evaluation, a slight increase over FY 2013. This proposal would support new programs of research on families of children with disabilities and technology for special education, as well as ongoing programs including research to improve the developmental outcomes and school readiness of infants, toddlers, and young children with disabilities. The request also would support two new studies in FY 2014, an impact evaluation of school-wide positive behavioral supports and a study to design options for evaluating the implementation and effectiveness of the IDEA.

Impact of Sequestration
The capacity of the field to conduct rigorous and relevant research on topics specific to the education of children and youth with disabilities is still developing. While the sequester has mandated an approximate $2.5 billion cut to the Department of Education’s budget in FY 2013, it will have a more long term impact by decimating IES’s ability to support a broad range of research, development, and evaluation activities necessary for building a scientific enterprise that can provide solutions to special education challenges.

Program Need
Research in special education provides knowledge beneficial to understanding ways to improve the education for all children, not just the target population. However, these understandings are difficult to achieve, and much more research and development is required to meet the educational needs of children with disabilities.

Contact Information
Augustus Mays
WestEd
(202) 429-9728  •  amays@wested.org
Statewide Data Systems

Title I, Education Science Reform Act

Description
The Statewide Data Systems program provides grants to States to assist in the design, development, and implementation of longitudinal data systems that can track individual students throughout their school career. Data systems developed through these grants should help improve data quality, promote linkages across States, promote the generation and accurate and timely use of data for reporting and improving student outcomes, and facilitate research to further improve student outcomes.

Funding History (in millions)

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<tr>
<th>FY 2012</th>
<th>FY 2013</th>
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<tr>
<td>$38.08</td>
<td>$36.09</td>
<td>$85.00</td>
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</table>

Impact of President’s Budget
The president’s budget requests $85 million for statewide data systems in FY 2014, an increase of $48.9 million over FY 2013. The proposed increase would provide support to States to improve the availability and use of data on student learning, teacher performance, and college-and career-readiness through the development of enhanced data systems linking data on student progress over time and across multiple educational environments.

Program Need
Every State needs a high-quality longitudinal data system that includes data elements necessary to inform decision-making at all levels of education. States continue to need national support to link data across the P-20 systems and to build capacity for using those data.

Contact Information
Augustus Mays
WestEd
(202) 429-9728 • amays@wested.org
Part V: Education-Related Programs – Meeting the Human Needs of America’s Children
Early Learning Initiative

Proposed Initiative
Preschool for All and Early Head Start-Child Care Partnerships

Description
The president has proposed significant new investments in high-quality early learning opportunities for children aged birth to five. Preschool for All would provide Preschool Development Grants through discretionary funding to help States make high-quality preschool available to all four-year-olds from low- and moderate-income families. Additional mandatory funding would assist States already providing preschool to expand enrollment. The budget proposal also includes funds for new Early Head Start-Child Care Partnerships focused on early learning for infants and toddlers. The overall goal of these new funding streams is to promote school readiness in young children by providing access to high-quality early learning environments, particularly for children from economically disadvantaged families.

Funding History (in millions)

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<th>FY 2012</th>
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<tr>
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<td></td>
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<td>Early Head Start-Child Care Partnerships</td>
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<td>$1,400.00</td>
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Impact of President’s Budget
The president’s budget proposes to invest $75 billion over 10 years for Preschool for All. This represents a strong investment in high-quality learning to help children be prepared to enter kindergarten ready to learn. The plan will be funded through an increase in the tobacco tax and State matching funds. States are required to meet specific quality standards to qualify for federal funds. The investment in Early Head Start-Child Care Partnerships of $1.4 billion in FY 2014 would provide services to 110,000 infants and toddlers, nearly doubling current enrollment in Early Head Start.

Program Need
Research has shown funding early childhood education is one of the most cost-effective investments to close the achievement gap and prepare children for success in school and later in life. According to Nobel Laureate economist James Heckman, high quality early learning opportunities provide nearly a $7 return for every one dollar spent. This plan would address the serious shortage of affordable, high-quality early learning opportunities, providing many more children with the start they need to enter school ready to learn and succeed.

Contact Information
Terryllyn Tyrell
Voices for America’s Children
(202) 289-0777 • tyrell@voices.org
School Readiness (legislative proposal)
President’s FY 2014 Budget Request

**Preschool Development Grants**
Funds would support grants to States to carry out the activities needed to ensure that every State willing to commit to expanding preschool access has the high-quality programs required to successfully serve four-year-old children. The Education Department would provide competitive grants to States with preschool systems at various stages of development that are planning to provide universal access to high-quality preschool for four-year-old children from low and moderate income families.

- **FY 2014**: $750
- **FY 2015**: $770
- **FY 2016**: $785
- **FY 2017**: $802
- **FY 2018**: $819
- **FY 2019**: $838
- **FY 2020**: $856
- **FY 2021**: $875
- **FY 2022**: $897
- **FY 2023**: $919
- **FY 2014-23**: $3,246

**Preschool for All**
Funds would support grants to States for the implementation of high-quality preschool programs that are aligned with elementary and secondary education systems and help ensure that all children arrive in kindergarten ready to learn. The Education Department would share costs with States to serve all children from low- and moderate-income families, create an incentive for States to expand access to high-quality preschool for additional middle class families, and promote access to full-day kindergarten and high-quality early learning programs for children under the age of four.

- **FY 2014**: $1,300
- **FY 2015**: $3,246
- **FY 2016**: $5,784
- **FY 2017**: $7,581
- **FY 2018**: $8,956
- **FY 2019**: $9,880
- **FY 2020**: $10,797
- **FY 2021**: $10,258
- **FY 2022**: $9,348
- **FY 2023**: $7,607
- **FY 2014-23**: $74,757

Source: U.S. Department of Education Budget Service; and, Budget of the United States Government, Fiscal Year 2014, Office of Management and Budget. For more information, contact Tom Zembar at 202.822.7109 or TZembar@nea.org. | April 25, 2013
Head Start

Economic Opportunity Act of 1964

Leanne Winchester grew up in the projects in South Boston, Massachusetts. As one of five children in a single parent household, she attended a Head Start Program. She recalls sitting down with her teacher and other children and enjoying “family style meals” which was something she didn’t do at home because her mom worked so much. Leanne states that although her family was dependent on government programs, her strong beginning in Head Start helped her “to move out of poverty.” She decided to become a registered nurse to “give back to a community that so generously gave to me.” Leanne continues that “investing in early childhood pays off because that’s exactly what happened” in her life. Leanne is now a registered nurse and is working on a Master’s degree in Public Policy.

--- Provided by the First Five Years Fund

Description

Head Start, administered by the U.S. Department of Health and Human Services, provides grants to schools and community organizations to help prepare economically disadvantaged children for school and provide them with immunizations, health checkups, and nutritious meals. Head Start promotes the social, emotional, and cognitive development of children by providing educational, health, nutritional, social, and other services to enrolled children and families. Head Start also places a strong emphasis on engaging parents in their children’s learning. The Early Head Start program provides similar services to families with infants and toddlers, years critical to child development.
Funding History *(in millions)*

<table>
<thead>
<tr>
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</table>

**Impact of President’s Budget**

The president’s budget proposes a strong investment in Head Start, plus several new early childhood initiatives designed to help children be prepared to enter kindergarten ready to learn.

**Impact of Sequestration**

Head Start is affected by sequestration. A cut to Head Start of $383 million would eliminate services to 70,000 children in low-income families. It would also eliminate an estimated 18,965 jobs. This would impact the number of children who can benefit from receiving a strong start before entering school.

**Program Need**

Research has shown funding early childhood education is one of the most cost-effective investments to close the achievement gap and prepare children for success in school and life. According to Nobel Laureate economist James Heckman, high quality early learning opportunities provide nearly a $7 return for every one dollar spent. Even with recent increases, funding levels still are insufficient to cover the existing need. Only a small percentage of eligible children are enrolled in Early Head Start, and many eligible preschool-age children do not participate in Head Start, missing out on the comprehensive education, health, and social service benefits.

**Contact Information**

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Head Start (HSA section 639)
President’s FY 2014 Budget Request

<table>
<thead>
<tr>
<th>FY 2012</th>
<th>FY 2013 Post-Sequester</th>
<th>FY 2014 Budget Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>$7,968,544</td>
<td>$7,573,194</td>
<td>$9,621,070</td>
</tr>
<tr>
<td>vs. FY 2012</td>
<td>-$395,350</td>
<td>+$2,047,876</td>
</tr>
<tr>
<td>-5.0%</td>
<td>+20.5%</td>
<td>+27.0%</td>
</tr>
</tbody>
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Baseline
Head Start’s funding for fiscal year 2012, adjusted each year thereafter for inflation and enrollment

Budget
Head Start’s funding, as appropriated or requested (FY 2014 only)

Early Head Start-Child Care Partnerships
The 2014 budget includes $1.4 billion for new Early Head Start – Child Care Partnerships that will expand the availability of early learning programs that meet the highest standards of quality for infants and toddlers, serving children from birth through age three. Funds will be competitively awarded to new and existing Early Head Start programs that partner with child care providers that serve a high proportion of children receiving child care subsidies to provide full-day, full-year high-quality slots that meet the needs of low-income working families, and prepare children for the transition to preschool. This initiative will complement the Preschool for All proposal in the Department of Education budget.

<table>
<thead>
<tr>
<th>FY 2013 (HR 933*)</th>
<th>vs. FY 2012</th>
<th>+$17,496</th>
<th>+0.2%</th>
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<tbody>
<tr>
<td>$7,986,040</td>
<td>vs. FY 2012</td>
<td></td>
<td></td>
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</table>

*Consolidated and Further Continuing Appropriations Act, 2013 (Public Law 113-6)
Source: NEA calculations based on data from the U.S. Department of Health & Human Services’ Office of Budget; and, the National Center for Education Statistics’s report, Projections of Education Statistics to 2021 (January 2013). For more information, contact Tom Zembar at 202.822.7109 or TZembar@nea.org | April 25, 2013
Child Nutrition Programs

National School Lunch Act and the Child Nutrition Act

“I never knew about [WIC] until I had my son three years ago. As a new mother, I needed all the help and advice possible. The WIC program has been very helpful to my family. The classes provided at Jackson County Health Department are invaluable. I learn something new every time which helps me and my child to live a healthier, and ultimately, happier life. I am thankful each time I use the coupons and especially the ones for the Farmers’ Market. My son looks forward to the market each week.”

-WIC Participant (Courtesy of the National WIC Association)

Description
The National School Lunch, School Breakfast, Special Milk, Summer Food Service, and Child and Adult Care Food programs are mandatory accounts administered by the Department of Agriculture. The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) is a discretionary initiative. These programs help ensure children are well fed and students are able to focus on academic success. For example, the National School Lunch program operates in public and nonprofit private schools providing nutritionally balanced low-cost or free lunches to children each school day. All of these initiatives were reauthorized through the Healthy, Hunger-Free Kids Act of 2010.

Funding History (in billions)

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
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</thead>
<tbody>
<tr>
<td>Child Nutrition</td>
<td>$18.57</td>
<td>$20.38</td>
<td>$20.62</td>
</tr>
<tr>
<td>WIC</td>
<td>$ 6.62</td>
<td>$ 6.54</td>
<td>$ 7.14</td>
</tr>
</tbody>
</table>

Impact of President’s Budget
The president’s budget estimates the mandatory and discretionary costs for programs in order to provide benefits to eligible children. These costs cover support payments for all eligible meals and food. Although President Obama made significant cuts in some areas in this year’s budget, mandatory child nutrition initiatives saw an increase over past years. The additional funding is needed to cover caseloads and food costs to serve all eligible participants. The president’s budget accounts for programmatic improvements and the rise in need. The request anticipates 32.1 million children will participate in the National School Lunch Program and 14 million children in the School Breakfast Program in FY 2014.

In key discretionary areas, the president’s budget funds WIC at $606 million above FY 2013. This funding level is expected to maintain the projected caseload of 8.9 million participants. The budget also provides for investments in the Fresh Fruit and Vegetable Program, an effort that gives schools in low-income areas the resources to provide fresh produce to elementary age children. Again this year, the president proposes $35 million for competitive grants to fund school meal equipment needed for the implementation of the new school meal standards and an expansion of the school breakfast program.

Impact of Sequestration
WIC is the largest nutrition program affected by sequestration and was cut by more than $350 million. However, because of a higher funding allocation in FY2013 and access to contingency funds and additional unspent funds, WIC will likely be able to manage the current caseload through the rest of the fiscal year without cutting any participants. Unfortunately, WIC could face future increased caseloads or higher food costs and at that time may have to deplete contingency funds. In addition, many WIC agencies prepared for cuts by eliminating staff positions or not filling open positions. The agencies likely will not have the funds to rehire these staff, and this could lead to inadequate outreach and higher administrative burden for agencies and participants.

In FY 2014 and beyond, sequestration will result in lowered discretionary spending caps as part of the Budget Control Act instead of the across the board cuts made in FY2013. While it is unclear exactly how individual programs will be affected, a smaller pot of money would likely result in many areas seeing additional funding cuts. The president’s budget request assumes the sequester is repealed.
Program Need

Numerous studies document that hunger and inadequate nutrition have negative effects on school attendance, learning, behavior, and productivity. The federal investment in child nutrition plays a critical role in addressing these conditions. As the economy recovers from the recession, it is more important than ever that these initiatives reach and assist all eligible children, as many have been faced with higher than normal requests for assistance due to families’ worsening economic conditions.

Contact Information

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Title XIX, Social Security Act

My son Joshua is eight. When Joshua was three days old, he was diagnosed with a rare liver disease. Joshua’s liver was unable to break down certain proteins, which caused him to go into a coma and left him with brain damage. At two years old, Joshua started to receive disability and Medicaid. A “g-tube” was placed in his abdomen, and formulated food was sent to his stomach. At age four a combination of seizures and strong drugs damaged his liver. On February 13, 2002, Joshua had a liver transplant. I am very happy to say that the transplant was successful, and Joshua is thriving and eats like a horse! Medicaid covered the transplant and follow-up treatments. Without Medicaid, I don’t know how we would have made it. Joshua receives 22 prescription doses a day. I feel that with Medicaid and a loving family, Joshua will have a better chance to contribute to society and become an active adult.

-Sharon Van Mechelen, Oregon Medicaid Enrollee (Courtesy of Families USA)

Description

Medicaid programs work through State and local health agencies and other service providers to detect and treat eligible low-income children and adults for a broad range of health deficiencies, such as speech, hearing, vision, and dental problems or physical impairments. Children make up nearly half of all Medicaid recipients but are only 20 percent of the cost. Many schools participate in the Medicaid program, in order to address child health problems that often have a detrimental effect on academic performance. Most of the medical services reimbursed to schools under Medicaid are provided to children with disabilities. Regulations issued by the Department of Health and Human Service under the previous Administration sought to eliminate Medicaid reimbursements for many school-based services and administrative activities, as well as other types of services. The current Administration rescinded the previous school-based services and administrative activities regulations, as well as other related regulations limiting services to low-income children and adults.

Funding History (in millions)

<table>
<thead>
<tr>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
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<tr>
<td>$250,534.00</td>
<td>$266,586.00*</td>
<td>$303,791.00</td>
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</table>

* FY 2012 outlay estimated

Impact of President’s Budget

The president’s FY 2014 budget estimates 29.4 million children will receive Medicaid services, nearly half of all individuals served in the Medicaid program. The number of Medicaid beneficiaries is projected to grow considerably in FY 2014 with provisions of the Affordable Care Act that extend Medicaid eligibility to all individuals with family incomes up to 133 percent of the federal poverty level in every State. The federal government will pay 100 percent of the costs for these newly eligible individuals for three years and at least 90 percent thereafter. Though the Supreme Court in July 2012 ruled States are not required to participate in this expansion, a majority have chosen to do so. For school-based services, the lifting of previously restrictive regulations has allowed school districts to continue to receive critical reimbursements for Medicaid-eligible services provided to eligible students at school sites.

Impact of Sequestration

The Medicaid Program specifically is exempted under the Budget Control Act of 2011 from the across-the-board sequestration of funds.

Program Need

Medicaid makes health care affordable for families so children can get the services they need to stay healthy, avoiding more costly emergency care down the road. Medicaid is as an essential back stop for children with special health care needs, ensuring families are not bankrupted when a child is born with or develops a life-threatening condition. In addition to medical treatment, it also covers in-home support, rehabilitative services, long-term care, and transportation services for children with special health care needs. In recent years, actions taken by the Obama Administration will allow schools to provide services to eligible students and receive federal reimbursements. Since school health personnel often are among the few health professionals to whom low-income children have access, maintaining an effective school-based Medicaid program is critical to the nation’s medically underserved children.

Contact Information

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Children’s Health Insurance Program (CHIP)

Title XXI, Social Security Act

Kimberly, a single mother, and her two children live in Central Iowa. Her kids have been on CHIP since 2003. The best thing about CHIP is the money it saves their family. This savings goes toward living a modest life. A home, a dependable car, and paying the bills are all achieved without risking the children’s health. If a serious medical need would arise, there is peace of mind their family’s livelihood would remain intact.

Description

CHIP provides enhanced federal matching payments to States to assist in providing health care coverage for millions of low-income uninsured children. These families earn too much to qualify for Medicaid but do not have options for employer-provided coverage or cannot afford to purchase private insurance. The program was created in 1997 and reauthorized in 2009. CHIP is set to expire in 2019; however, additional funding for the program will be required after FY 2015.

Funding History (in millions)

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
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<tbody>
<tr>
<td></td>
<td>$9,065.00</td>
<td>$9,897.00</td>
<td>$9,992.00</td>
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</table>

Impact of President’s Budget

The FY 2014 budget provides funding to improve health care access and insurance coverage for low-income children, with a particular focus on enrolling those children who are already eligible for Medicaid or CHIP. The goal is to improve the availability and accessibility of health coverage by increasing enrollment in CHIP and Medicaid. The FY 2014 target for the Center for Medicare and Medicaid Services is to increase children’s enrollment by 25 percent over the FY 2008 baseline for a total Medicaid/CHIP enrollment of 46.6 million children.

Impact of Sequestration

CHIP is exempt from sequestration.

Program Need

In 2012, 8.3 million individuals received health insurance funded through CHIP, an increase of 1.2 percent over FY 2011. Currently, there are 7.6 million uninsured children in the United States, including approximately 5 million who are eligible for but not enrolled in CHIP or Medicaid. In 2009 Congress reauthorized CHIP (P.L. 111-3) from April 2009 through September 2013, providing $44 billion through 2013 to maintain State programs and insure more children. More recently, the Affordable Care Act (P.L. 111-148) extended funding for CHIP through FY 2015, providing an additional $28.8 billion in budget authority over the baseline.

Contact Information

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Child Care and Development Fund

Child Care and Development Block Grant Act (CCDBG), Section 418, Social Security Act

December 2011 - Just when families are facing more obstacles than ever to making ends meet, with high unemployment and a still struggling economy, they are also losing access to one of the most significant work supports they have: a government subsidy that helps pay for child care. Shantay Smith, a single mother in Baltimore, and her son are among nearly 8,000 families on a waiting list for the subsidy in Maryland. Pennsylvania’s list doubled since the previous year to more than 10,000 children, according to the National Women’s Law Center. Families are being expected to do more with less as States further restrict eligibility for the subsidies and raise co-payments to cover the growing demand.

Description

According to a National Women’s Law Center report, “Eighty-three percent of respondents who received child care assistance indicated that it improved the quality and reliability of care.” Parents in New York on a waiting list for child care state their “current child care arrangements were negatively impacting” their children. Some parents report having to give up jobs while waiting for child care assistance because they could not “find affordable child care.” Some families “turned to welfare to survive” while waiting for child care assistance.

Funding History* (in millions)

<table>
<thead>
<tr>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 President’s Request</th>
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</thead>
<tbody>
<tr>
<td>$ 2,278.31</td>
<td>$2,209.04</td>
<td>$2,478.31</td>
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* These figures represent the discretionary portion of CCDF.

Impact of President’s Budget

Under the president’s budget request for FY 2014, CCDBG would receive an increase of $268 million in discretionary funding.

Impact of Sequestration

The cuts to CCDF under sequestration would result in the elimination of child care subsidies for 80,000 children, negatively impacting both children and their families.

Program Need

High-quality child care is necessary to promote the safety and healthy development of children while their parents are at work and to allow parents the peace of mind that their children are being cared for in a high quality environment. Many States have waiting lists for child care support and only a small percentage of eligible children receive assistance.

Contact Information

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NOTES