NSBA 4-1-00

KATHLEEN w/ NSBA 7/838-6735

KENT TALBERT — 12:30 – 2 PM

20 MINUTES

20 MINUTES

20 MINUTES Q&A

Lary Carroll?

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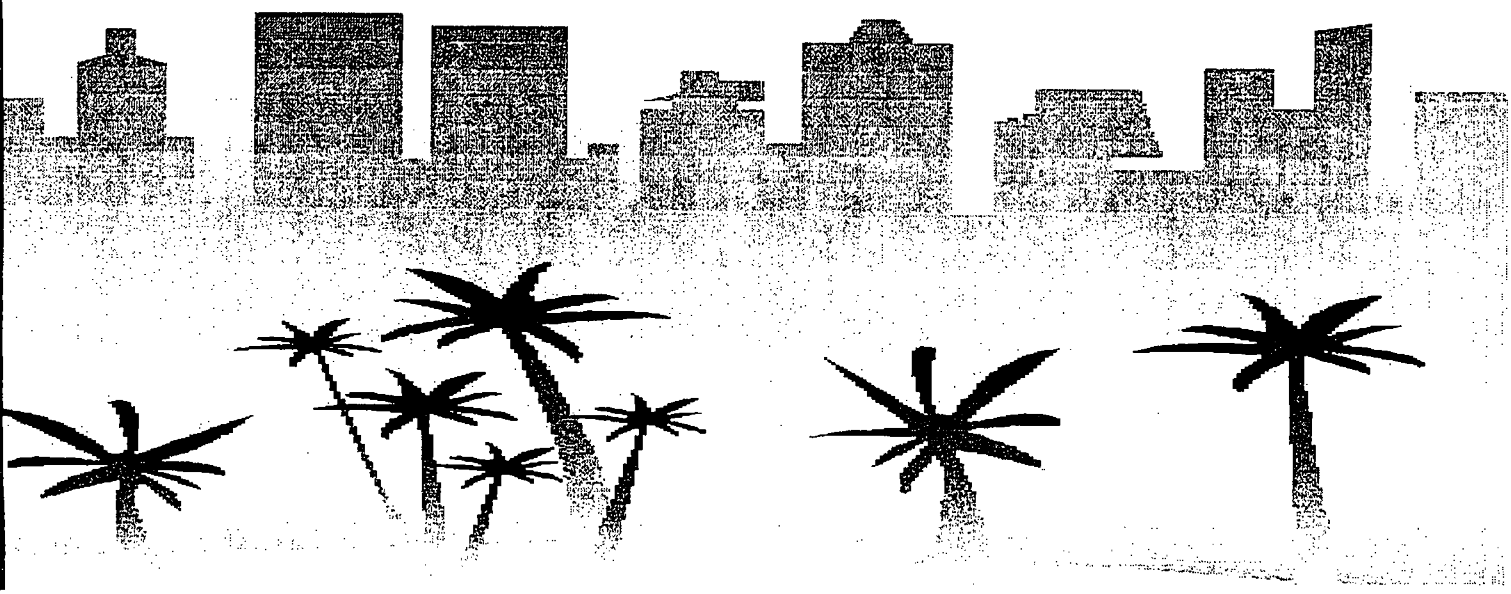
National School Boards Association
Council of Urban Boards of Education

60th Annual Conference
NSBA
ORLANDO
APRIL 1-4, 2000

Issues Forum Voucher Resource Materials

Issues Forum on Vouchers ◆ Saturday, April 1, 2000
The Peabody Hotel ◆ Florida II Room ◆ Orlando, Florida



National School Boards Association

Council of Urban Boards of Education

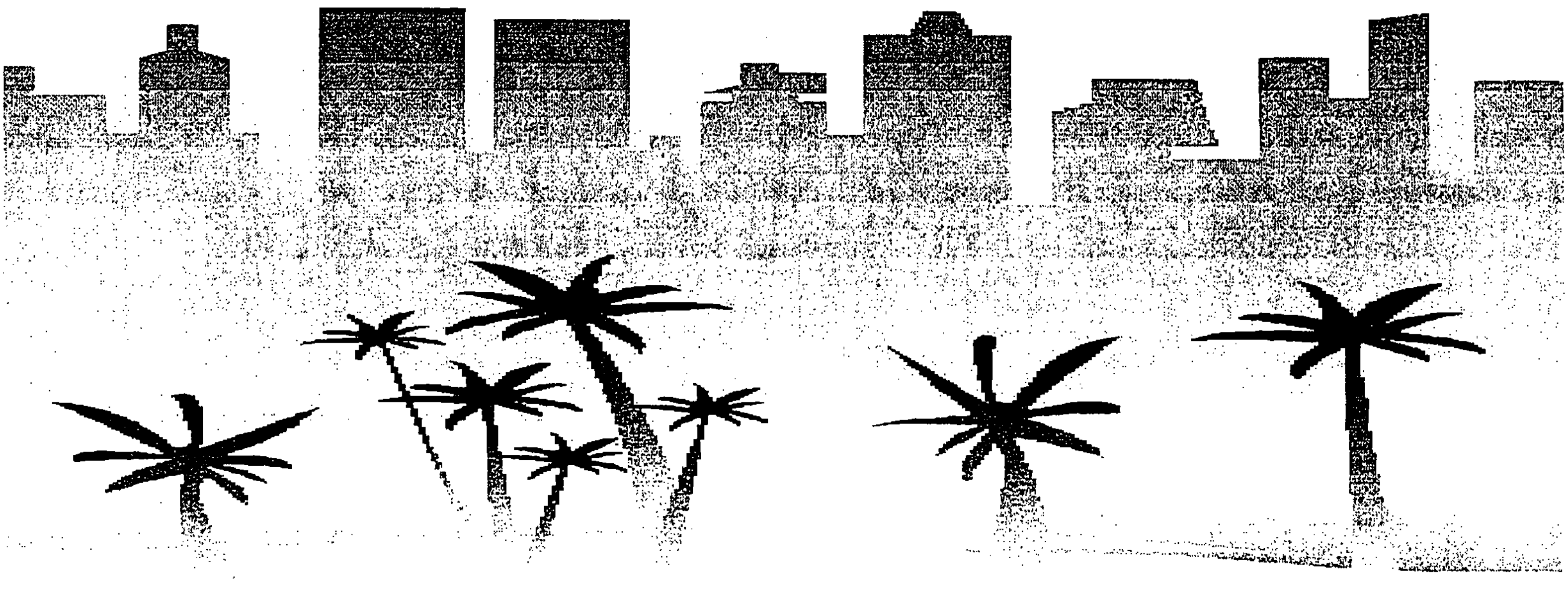
60th Annual Conference NSBA

ORLANDO APRIL 1-4, 2000

CUBE Annual Issues Forum:

Impact of Vouchers on Urban School Systems

Saturday, April 1, 2000 ◆ The Peabody Hotel ◆ Florida I ◆ Orlando, Florida



60th Annual Conference NSBA ORLANDO APRIL 1-4, 2000

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Impact of Vouchers on Urban School Systems

ISSUE BRIEF

·NSBA·

Vouchers—Children Lose, Taxpayers Lose

★ The Issue

Proposals to create private and parochial school vouchers threaten to siphon scarce public resources away from our nation's public schoolchildren. Descriptions of these voucher proposals vary from "portability" to "parental choice," to "opportunity scholarships," and "tuition tax credits." The proposals also differ in terms of recipients and scope; however, each ultimately uses public money and tax revenues for private school tuition. Furthermore, many private and parochial schools are free to discriminate based on educational needs, parental involvement, race, and religion. Any voucher proposal will drain money, time, and attention from improving public schools. Voucher plans stand to impact a select few and leave the majority of public school students in schools with fewer resources.

★ Legislative Status

- **Senator John McCain's (R-AZ) Amendment to the Taxpayer Refund and Relief Act of 1999**—This would have created a three-year national voucher program to give parents in low-income families choice among public, private, and religious schools for their children. The amendment would have authorized $1.8 billion annually for the Fiscal Years 2001-2003 to provide vouchers. The amendment was defeated in the Senate by an 87-13 margin.

- **Education Savings Accounts**—This legislation would allow parents, friends, and families to donate a maximum of $2,000 per child annually to a K-12 Education IRA account. The money and interest that is accumulated may be withdrawn without a penalty to pay for a myriad of educational expenses, many of which are typically associated with private and parochial schools. For example, allowable expenses include tuition, school uniforms, tutoring, transportation, etc. This legislation removes public tax revenues from the treasury and provides a tax credit for families to send their children to private and parochial schools. The Senate passed S. 1134, the Affordable Education Act, to expand education savings accounts on March 2, by a 61-37 margin. President Clinton has vetoed similar legislation in the past.

- **Senator Orrin Hatch's (R-UT) Amendment to S. 625, the Bankruptcy Reform Act of 1999**—This amendment states that if a student is eligible to be served under a Title I targeted assistance or a schoolwide program, and becomes a victim of a violent criminal offense, including drug-related violence, while in or on the grounds of a public elementary school or secondary school, the local education agency may use funds to pay the supplementary costs for the student to attend another school. The student may attend any other public or private school, including a religious school, in the same state as the school where the criminal offense occurred that is selected by the student's parent. The state education agency would determine what constitutes a violent criminal offense. This amendment passed by a 50-49 margin. S. 625 passed the Senate on February 2 by an 83-14 margin. Conferees in the House and Senate are now considering this issue.

- **Representative Thomas E. Petri's (R-WI) Amendment to H.R. 2, the Student Results Act**—This amendment would allow the portability of Title I funds. Specifically, the provision would allow Title I funds to be used for private school vouchers in ten states. The amendment was defeated in the House by a 271-153 margin on October 21, 1999.

- **Senator Judd Gregg's (R-NH) Title I Portability Amendment to Senate Health, Education, Labor, and Pensions Committee Markup of ESEA**—This amendment makes Title I funds available on a per child basis. It also allows for public money to be paid directly to a tutorial provider that could include private and religious schools. In addition, the amendment imposes an administrative burden to school districts because they will not be able to plan their budgets if they do not know how many students will stay at their schools or opt to take their allotments to an outside provider. This amendment passed the committee by a 9-8 margin.

- **Senator Judd Gregg's (R-NH) Amendment to the Senate Health, Education, Labor, and Pensions Committee Markup of ESEA**—This amendment allows up to 15 states to enter into a five-year performance agreement with the U.S. secretary of education. Approximately 13 programs could be consolidated (including Title I), and funds may be used for any elementary and secondary educational purpose permitted by state law of the participating state. This could open the door to vouchers—because in a state like Florida, vouchers are allowed under state law. This amendment passed the committee by a 9-8 margin.

- **District of Columbia Public School Vouchers**—This proposal would authorize $45 million over five years to create a board that would distribute as much as $3,200 per year in vouchers per child for 2,000 of Washington, D.C.'s poorest public school students. The $3,200 voucher could be used to send these children to private schools in the metropolitan D.C. area. This legislation is not a choice; private schools can still select which students they will admit. In addition, this voucher proposal would only impact three percent of students, leaving the remaining 75,000 D.C. public school students competing for fewer resources. This issue may be revisited in the second session of the 106th Congress.

★ NSBA Position

Congress faces a fundamental choice—provide vouchers for a few students or improve public schools for all students. Nearly 90 percent of America's schoolchildren learn in our public schools. Draining badly needed money from our public schools could undermine the education of children in school systems that do not have money to improve public schools, hire more teachers, reduce class sizes, put more computers in the classroom, or implement other proven reforms. For example, in Ohio, taxpayers spent $8.7 million on vouchers in the Cleveland public schools, when they could have implemented a proven reading program in all 80 of Cleveland's elementary schools for just $4 million. NSBA urges Congress to reject vouchers and work with NSBA to improve, not weaken, the educational opportunities of the 46 million children who are enrolled in public schools.

March 2000

·NSBA· ISSUE BRIEF

Education IRA—A Backdoor Voucher

★ The Issue

Elementary and Secondary Education IRAs would create a new public tax subsidy that would provide tax breaks for "educational expenses" including tuition and fees at public, private, and religious schools. K-12 IRAs would allow people to deposit up to $2,000 annually in a dedicated investment account. Amounts in the account would accumulate on a tax-free basis and would be exempt from tax when used for elementary and secondary education expenses. The proposal would expand current law that allows for $500 a year for a higher education IRA.

★ Legislative Status

The Senate passed S. 1134, the Affordable Education Act, to expand education savings accounts on March 2, by a 61-37 margin.

Several amendments were considered to the underlying bill including the following:

- Senator Paul Coverdell (R-GA)—Amendment to the Safe and Drug Free Schools Program to encourage schools to have zero-tolerance for drugs and violence. *Passed 96-1.*
- Senator William V. Roth Jr. (R-DE)—Amendment that makes the education savings accounts legislation permanent and funds the program from the budget surplus. *Passed 59-40.*
- Senator Susan M. Collins (R-ME)—Amendment to provide teachers with a tax deduction for supplies and gives a $100 tax credit for purchases of classroom materials. *Passed unanimously.*
- Senator Richard J. Durbin (D-IL)—Amendment to provide grants to reduce school violence. *Passed 91-7.*
- Senator Dianne Feinstein (D-CA)—Amendment prohibiting funds appropriated under the Elementary and Secondary Education Act to be available to a local education agency unless the state demonstrates to the U.S. secretary of education that the state has adopted a policy prohibiting social promotion. *Failed 30-68.*
- Senator Christopher J. Dodd (D-CT)—Amendment to move funds from education savings accounts to the Individuals with Disabilities Education Act instead. *Failed 44-54.*
- Senator Charles S. Robb (D-VA)—Amendment to authorize $1.3 billion in grants and loans for emergency repairs to schools and provide $25 billion in tax credits to modernize schools. *Failed 42-52.*

On March 22, the House Ways and Means Committee marked up H.R. 7, its version of the K-12 education savings accounts. The bill passed the committee by a 21-16 margin.

If S. 1134 were presented to President Clinton for his signature, the secretaries of both the U.S. Department of Treasury and U.S. Department of Education would recommend that he veto the bill. President Clinton has vetoed similar versions of the bill in the past.

★ **NSBA Action**

On February 23, NSBA sent a letter to all senators urging them to oppose the bill. NSBA noted that the $2 billion that this bill would cost over ten years could be put to much better use by funding existing education priorities such as increased funding for IDEA (special education). NSBA's letter was read on the Senate floor by Senator Dodd (D-CT) and was entered into the *Congressional Record*. The Senate proceedings that include the letter are included in these briefing materials on page 26.

Voting Record for S. 1134, the Affordable Education Act

Yeas (61)

Republicans (52)

Abraham (MI)
Allard (CO)
Ashcroft (MO)
Bennett (UT)
Bond (MO)
Brownback (KS)
Bunning (KY)
Burns (MT)
Campbell, B. (CO)
Cochran (MS)
Collins, S. (ME)
Coverdell (GA)
Craig (ID)
Crapo (ID)
DeWine (OH)
Domenici (NM)
Enzi (WY)
Fitzgerald (IL)
Frist (TN)
Gorton, S. (WA)
Gramm, P. (TX)
Grams, R. (MN)
Grassley (IA)
Gregg (NH)
Hagel (NE)
Hatch (UT)
Helms (NC)
Hutchinson, T. (AR)
Hutchison, K. (TX)
Inhofe (OK)
Kyl (AZ)
Lott (MS)
Lugar (IN)
Mack (FL)
McConnell (KY)
Murkowski (AK)
Nickles (OK)
Roberts (KS)
Roth (DE)
Santorum (PA)
Sessions, J. (AL)
Shelby (AL)
Smith, G. (OR)
Smith, R.C. (NH)
Snowe (ME)
Specter (PA)
Stevens (AK)
Thomas, C. (WY)
Thompson, F. (TN)
Thurmond, S. (SC)
Voinovich (OH)
Warner (VA)

Democrats (9)

Biden (DE)
Cleland (GA)
Kohl (WI)
Breaux (LA)
Feinstein (CA)
Lieberman (CT)
Byrd (WV)
Kerrey, R. (NE)
Torricelli (NJ)

Nays (37)

Republicans (2)

Chafee, Lincoln (RI)
Jeffords (VT)

Democrats (35)

Akaka (HI)
Baucus, M. (MT)
Bayh (IN)
Bingaman (NM)
Boxer (CA)
Bryan (NV)
Conrad (ND)
Daschle (SD)
Dodd (CT)
Dorgan (ND)
Durbin (IL)
Edwards, J. (NC)
Feingold (WI)
Graham, B. (FL)
Harkin (IA)
Hollings (SC)
Johnson, T. (SD)
Kennedy, E. (MA)
Kerry, J. (MA)
Landrieu (LA)
Lautenberg (NJ)
Leahy (VT)
Levin, C. (MI)
Lincoln (AR)
Mikulski (MD)
Moynihan (NY)
Murray (WA)
Reed, J. (RI)
Reid, H. (NV)
Robb (VA)
Rockefeller (WV)
Sarbanes (MD)
Schumer (NY)
Wellstone (MN)
Wyden (OR)

Not Voting (2)

Republicans (1)—McCain (AZ)
Democrats (1)—Inouye (HI)

The Washington Post WEDNESDAY, MARCH 15, 2000

School Voucher Plan Struck Down

Florida to Appeal Judge's Ruling

By SUE ANNE PRESSLEY *and* KENNETH J. COOPER
Washington Post Staff Writers

MIAMI, March 14—A state judge today struck down as unconstitutional Florida's year-old program of school vouchers, the first statewide system that allows students to escape failing public schools and enroll in private institutions.

The ruling by Circuit Judge L. Ralph Smith Jr. in Tallahassee directly concerns 53 students who formerly attended two public elementary schools in Pensacola, the only Florida schools that so far have been labeled as failing, but has the potential to affect thousands of the state's estimated 2 million public school students who would otherwise become eligible for vouchers in a few months.

"Tax dollars may not be used to send the children of this state to private schools," Smith ruled. His decision was based on a 1998 amendment that Florida voters added to the state constitution declaring an "efficient, safe, secure and high-quality system of free public schools" to be "a paramount duty of the state."

The ruling joins the mixed verdicts on voucher programs that state and federal courts have handed down around the country. Last December, a federal judge held a voucher program in Cleveland unconstitutional, but allowed participating students to continue in private schools while his decision is appealed to the Sixth Circuit.

So far the U.S. Supreme Court has not ruled directly on the issue, but has let three lower court decisions stand—two upholding voucher programs in Milwaukee and Cleveland, and another prohibiting vouchers for religious schools in Vermont.

In Florida, Smith permitted the Pensacola students to complete the school year in their private schools. The state plans an appeal, either to a state appeals court or Florida's Supreme Court.

"Florida's residents have made it clear they want an efficient, well-funded public school system. This voucher scheme undermined that goal," said Barry W. Lynn, executive director of Americans United for Separation of Church and State, which helped prepare the lawsuit.

The Florida law, which the legislature approved in April 1999, had been championed by Gov. Jeb Bush (R), who expressed his disappointment today with Smith's decision.

"For decades, millions of state dollars have been spent each year to provide private education to children" with disabilities and other special needs, Bush said. "No one has ever claimed that this spending is unconstitutional, yet this opinion clearly suggests that it is under the new constitutional language Florida voters adopted in 1998. In my view, this is a gross distortion of the Florida constitution, and will be reversed by the higher courts."

Clint Bolick, litigation director for the Institute for Justice, which represents the Pensacola voucher students in the case, argued that Smith misinterpreted the state constitution's guarantee of a quality public education.

"To keep these kids in failing schools is turning the constitution on its head," Bolick said. "We believe a good education at a private school fulfills the goals of public education more than a bad education at a public school."

Bolick said the voucher program could continue—and even expand— because a court decision declaring a Florida law unconstitutional is automatically suspended as soon as the state government appeals.

Under the Florida plan, students at schools that twice receive failing marks on an annual statewide test and other performance measures could use the school district's per pupil expenditure—an "opportunity scholarship" of up to $3,389 a year—to enroll in another public, nonsectarian or religious school. So far, only the Pensacola students have participated, but students at many more schools likely would become eligible when the new school ratings are released in May.

School voucher programs are controversial because they divert funds from public schools and, in the opinion of opponents, violate the constitutional mandate of separation of church and state. The Florida lawsuit was filed last June by a coalition of groups including the NAACP, the Florida PTA and the American Civil Liberties Union.

FILE PHOTO/REUTERS

Florida Gov. Jeb Bush (R) predicted judge's ruling will be reversed.

The ruling is likely to attract more attention to the issue of school vouchers in the presidential campaign. Texas Gov. George W. Bush (R) the likely Republican nominee, has proposed tapping the federal Title I program to fund vouchers for disadvantaged students attending failing schools, while Vice President Gore has opposed vouchers in any form.

"This will set Republican leadership and Democrats in stark contrast on the voucher issue during the election cycle, and that's what I think [both sides] want to do," Lynn said.

But vouchers appear to have limited appeal as a campaign issue. A recent bipartisan poll, for instance, concluded that the idea "elicits little energy from the electorate" compared to other education reform proposals.

March 8, 2000

Senate Approves Bill On Education-Savings Accounts

By Joetta L. Sack
Education Week

Washington

The Senate passed a bill to expand education-savings accounts late last week, forwarding an election-year priority for Republicans that faces a firewall of resistance from the White House.

The chamber passed the measure 61-37 on March 2, and the Republican-controlled House is expected to consider it later this year. But President Clinton has vetoed similar legislation twice in the past two years, and Secretary of Education Richard W. Riley has urged him to do so again if the need arises.

Read the Education Savings Account and School Excellence Act of 1999 bill summary.

Under the bill, S 1134, families could contribute up to $2,000 a year to an education-savings account that would earn tax- free interest. Parents could draw on the account for a wide array of K-12 and higher education expenses, including private school tuition, uniforms, books, or other supplies.

Currently, families can contribute up to $500 a year to such accounts for some higher education expenses.

Proponents of the measure say it is a good way to return part of the budget surplus back to families.

"If we cannot cut taxes now for education, when can we ever cut them?" Sen. William V. Roth Jr., the Delaware Republican who chairs the Finance Committee and is a chief sponsor of the legislation, asked during floor debate. "This education legislation is precisely what the American income tax surplus should be used for—American families."

But Democrats countered that the proposal would spend the surplus prematurely, and divert money away from public education programs and Social Security.

"Let's eat our spinach before we have our ice cream party," said Sen. Bob Graham, D-Fla.

Priorities Debated

As part of the savings account legislation, the Senate approved an amendment that would give teachers tax credits for the out-of-pocket money they spend on classroom supplies.

The Senate rejected two Clinton priorities: money for school construction and authorization to continue funding to hire 100,000 new teachers and reduce class sizes. The latter initiative was allocated $1.3 billion for fiscal 2000 but has never been given permanent funding authority.

Democratic attempts to reallocate the funds designated for the education-savings accounts toward special education, professional development for teachers, and school technology programs also failed.

During the three-day debate, the Senate Health, Education, Labor, and Pensions Committee postponed debate on its Elementary and Secondary Education Act reauthorization bill, in part so senators could focus on the debate on savings accounts.

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Senate Votes to Expand Use Of Education Savings Accounts, But Bill Is Vulnerable to a Veto

Box Score

Bill:
S 1134 (S Rept 106-54) — To create tax-preferred savings accounts for elementary and secondary education expenses

Latest action:
Senate passed bill March 2, 61-37

Next likely action:
House Ways and Means Committee markup

Reference:
Senate debate, p. 419; Senate Finance markup, 1999 CQ Weekly, p. 1201; 1998 Clinton veto, 1998 Almanac, p. 9-14

After turning back a series of Democratic amendments, the Senate on March 2 passed legislation (S 1134) that would let families deposit up to $2,000 per year in tax-preferred savings accounts for elementary and secondary education expenses, including private school tuition and tutoring.

The 61-37 vote was short of the two-thirds margin needed to override President Clinton's threatened veto.

In a Feb. 24 statement, the Office of Management and Budget said the bill's tax benefits were too heavily weighted toward affluent families and would do little to help lower-income and middle-class parents. Clinton vetoed a similar measure in 1998. Still, nine Democrats voted for the measure, sponsored by Paul Coverdell, R-Ga., and Robert G. Torricelli, D-N.J. *(Vote 33, p. 491)*

Supporters said the bill would give parents more ability to finance their children's education, without taking funds away from public schools.

"Not a dollar of public money is diverted from the public schools," Torricelli said. "It does allow . . . a family at the birth of a child, to establish these savings accounts and then call upon grandparents, parents, cousins, churches, synagogues, labor unions and corporations to contribute moneys into these funds."

The bill has been a priority of Republican leaders, who are acutely aware of public opinion polls ranking school quality as the No. 1 concern of voters. The House Ways and Means Committee may mark up a companion bill the week of March 6.

During the debate, Democrats offered amendments that would have shifted federal funds designated to pay for the savings accounts to other priorities such as teacher training, education of the disabled, school construction and college Pell grants for low-income students.

Coverdell said Democrats had raised "an apple-pie goal" as a tactic to "neuter" the savings accounts.

The underlying bill builds on a law (PL 105-34) that lets parents set aside up to $500 per year in tax-preferred accounts for college education. Interest and principal on the accounts are tax-free when the funds are used for education expenses. *(1997 Almanac, p. 2-30)*

Expands Existing Accounts

The new bill would expand the accounts to let families put away up to $2,000 annually per child for elementary and secondary expenses as well as higher education.

As approved by the committee, the bill would have allowed individuals with adjusted gross annual incomes of up to $95,000 and couples with incomes of up to $150,000 to realize the full tax benefits of the accounts. Eligibility for the accounts would have been phased out as individuals reached an overall income limit of $110,000 and joint filers hit a $160,000 limit. The Senate adopted an amendment that would raise the income limit for joint filers to $190,000, phasing out at $220,000. *(Vote 22, p. 490)*

On March 2, the Senate adopted, 59-40, a substitute amendment by Finance Committee Chairman William V. Roth Jr., R-Del., that made important changes. *(Vote 24, p. 490)*

The amendment would make the accounts permanent, by deleting a provision that would have ended them after 2003. It eliminated an estimated $5.5 billion worth of revenue-raising provisions that had been designed to help cover the ten-year cost of the measure. Roth said the bill should be funded out of the federal budget surplus.

Another provision in his substitute would make permanent an exclusion from taxable income for employer-provided educational assistance for undergraduate education and extend the provision to graduate studies. Clinton last year signed legislation (PL 106-170) that temporarily extended that provision. *(1999 CQ Weekly, p. 2770)*

While it turned back a number of Democratic amendments, the Senate did adopt some key changes, including a proposal by Richard J. Durbin, D-Ill., to authorize $7 million for fiscal 2001 and more for succeeding years for violence prevention programs in elementary and secondary schools. The proposal, adopted 91-7, was spurred by the Feb. 29 shooting of a first-grader by her six-year-old classmate in a school near Flint, Mich. *(Vote 32, p. 491)*

The Senate also adopted an amendment by Susan Collins, R-Maine, to let teachers deduct the cost of school supplies and related expenses from their taxes. The National Education Association has estimated that teachers spend an average of $408 of their own money on supplies each year. *(Vote 16, p. 489)*

It adopted an amendment by Spencer Abraham, R-Mich., to extend from two years to three the age of computers that companies could donate to schools for a tax deduction. *(Vote 18, p. 489)* ◆

By Adam S. Marlin

Vol. 146 WASHINGTON, TUESDAY, FEBRUARY 29, 2000 No. 20

Congressional Record

United States
of America

PROCEEDINGS AND DEBATES OF THE 106th CONGRESS, SECOND SESSION

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are the issues on which Democrats have said time and again we should focus.

Our colleague, Senator DODD from Connecticut, has joined us. I am happy he is here because he has a very critical amendment. Where Senator COVERDELL's bill suggests we will focus half of the assistance in this new program on private schools where only 10 percent of our kids attend school and where he has said the vast majority of the resources in his bill will go to the wealthiest families in our country, those in the upper 20 percent, Senator DODD comes in with a much more practical and grounded alternative.

I will leave it to the Senator to explain it in detail, the idea that we would provide school districts across America, rich and poor, wherever they are located, assistance in helping to educate kids with special needs. Meet with any school board member, any school superintendent, or many teachers for that matter, and ask them about the challenges of today. They will tell you that kids with special needs, disabled kids, need special attention so they can develop their highest potential. It costs money to do it. It takes extra resources. We have made the commitment in theory. What Senator DODD suggests is we should put our money where our commitment is and say to these school districts that we will help you with these kids. We believe it is worth the investment.

At this point I see Senator DODD is on the floor and prepared to discuss his amendment. I am happy to yield to my colleague from the State of Connecticut.

Debate begins

Mr. DODD. Mr. President, I thank my colleague for yielding. Let me also thank our good friend, the Senator from Nevada, HARRY REID, for introducing the amendment on my behalf. Unfortunately, I was delayed this morning due to a problem with my flight. I apologize for not getting here earlier and I am grateful to my colleague for stepping in to help.

I see my good friend from Georgia is here. We have gone around on this issue in the past. I have great respect and admiration for him. We disagree on this issue, so I am sure we will have a good healthy debate about it.

In fact, we may not disagree about it at all. What I am trying to do with this amendment, I presume my friend from Georgia and others would also support. Let me briefly outline the amendment for my colleagues. While we only have a few minutes this morning, we will resume debate this afternoon.

It is somewhat ironic, in a way, that we will be meeting in about 22 minutes with the national Governors. We will gather together and have a joint meeting. I commend the leadership for arranging that.

Due to this meeting, I think it is worthy of note that the Governors are headed up by Mike Leavitt, Governor from Utah; Governor Mike Huckabee, vice chair on Human Resources from Arkansas; Governor Jim Hunt from North Carolina, who is the chair of the Committee on Human Resources; and Governor Tom Carper of Delaware, who is co-chair with Mike Leavitt of the National Governors' Association.

This letter is dated a year ago, but it was about a year ago that we engaged in a similar debate. At that time, a letter was sent to our colleague, PETE DOMENICI, chairman of the Committee on the Budget. The letter specifically addresses the issue my amendment proposes to correct or to at least offer to provide some support for special education funding. The letter says:

As you prepare the budget resolution for the coming fiscal year, the nation's Governors urge Congress to live up to agreements already made to meet current funding commitments to states before funding new initiatives or tax cuts in the federal budget.

The federal government committed to fully fund—defined as 40 percent of the costs—the Individuals with Disabilities Education Act (IDEA) when the law, formerly known as the Education of the Handicapped Act, was passed in 1975. Currently, the federal government's contribution amounts to only 11 percent, and states are funding the balance to assist school districts in providing special education and related services. Although we strongly support providing the necessary services and support to help all students succeed, the costs associated with implementing IDEA are placing an increased burden on states.

We are currently reallocating existing state funds from other programs or committing new funds to ensure that students with disabilities are provided a "free and appropriate public education." In some cases, we are taking funds from existing education programs to pay for the costs of educating our students with disabilities because we believe that all students deserve an equal opportunity to learn. Therefore, Governors urge Congress to honor its original commitment and fully fund 40 percent of Part B services as authorized by IDEA so the goals of the act can be achieved.

Mr. President, I also have a letter, dated February 23, 2000, from the National School Boards Association opposing the underlying bill, the Affordable Education Act, and supporting my amendment. Specifically, I quote from the letter:

NSBA believes that a greater benefit for children and taxpayers alike will occur if this money is spent meeting the unmet federal commitment in special education. Throughout the country, taxpayers are indirectly paying higher school and property taxes in their districts to compensate for the federal funding shortfall in the education of children with disabilities. Rather than create a tax benefit for a select few, applying these funds to special education would benefit more taxpayers and public schools.

I ask unanimous consent that the letters from the Governors, as well as the National School Boards Association, be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL GOVERNORS ASSOCIATION,
March 9, 1999.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As you prepare the budget resolution for the coming fiscal year, the nation's Governors urge Congress to live up to agreements already made to meet current funding commitments to states before funding new initiatives or tax cuts in the federal budget.

The Federal Government committed to fully fund—defined as 40 percent of other costs—the Individuals with Disabilities Education Act (IDEA) when the law, formerly known as Education of the Handicapped Act, was passed in 1975. Currently, The Federal Government's contribution amounts to only 11 percent, and states are funding the balance to assist school districts in providing special education and related services. Although we strongly support providing the necessary services and support to help all students succeed, the costs associated with implementing IDEA are placing an increased burden on states.

We are currently reallocating existing state funds from other programs or committing new funds to ensure that students with disabilities are provided a "free and appropriate public education." In some cases, we are taking funds from existing education programs to pay for the costs of educating our students with disabilities because we believe that all students deserve an equal opportunity to learn. Therefore, Governors urge Congress to honor its original commitment and fully fund 40 percent of Part B services as authorized by IDEA so the goals of the act can be achieved.

This is such a high priority for Governors, that at the recent National Governors' Association Winter Meeting, it was a topic of discussion with the President as well as the subject of an adopted, revised policy attached. Many thanks for your consideration of this request.

Sincerely,

Gov. THOMAS R. CARPER.
Gov. MICHAEL O. LEAVITT.
Gov. JAMES B. HUNT, Jr.,
Chair, Committee on Human Resources.
Gov. MIKE HUCKABEE,
Vice Chair, Committee on Human Resources.

NATIONAL SCHOOL BOARDS ASSOCIATION,
Alexandria, VA, February 23, 2000.

Re Oppose S. 1134, the Affordable Education Act

MEMBER,
U.S. Senate,
Washington, DC.

DEAR SENATOR: On behalf of the nation's 95,000 local boards members, the National School Boards Association (NSBA) urges you to oppose S. 1134, the Affordable Education Act.

NSBA is opposed to this legislation that would expand education savings accounts to allow tax-free expenditures for K-12 public, private, and religious school tuition. NSBA believes that limited public funds could be better invested in priority areas of K-12 education. Specifically, Congress should focus scarce tax dollars on the federal government's current obligations to our nation's public schools.

The Joint Tax Committee estimated that K-12 education savings accounts come with a price tag of well over $2 billion over ten years. In addition to the expense of this program, education savings accounts would disproportionately be used by affluent families and provide very little benefits to lower and middle income families. NSBA believes that a greater benefit for children and taxpayers alike will occur if this money is spent meeting the unmet federal commitment in special education. Throughout the country, taxpayers are indirectly paying higher school and property taxes in their districts to compensate for the federal funding shortfall in

letter continued

the education of children with disabilities. Rather then create a tax benefit for a select few, applying these funds to special education would benefit more taxpayers and public schools.

Providing additional funds for students with disabilities will enable Congress to take a small step forward in eliminating the unfunded mandate on local school districts. This, in turn, will free up funds at the local level to help increase student achievement for all students.

NSBA urges you to oppose the education savings accounts legislation. If you have questions, please contact Dan Fuller, director of federal programs, at 703-838-6763

Sincerely,

MICHAEL A. RESNICK,
Associate Executive Director.

Mr. DODD. Let me again make the point I made last week and will make again this afternoon. There are parts of this bill the Senator from Georgia is offering with which I have no disagreement. However, it seems to me that we are talking about relatively scarce resources. While we are in a surplus—and we all applaud this fact—we all know we don't have all the money we would like to spend in educational areas. But to have a tax break of a $1.2 billion over 5 years, the cumulative benefit, according to the Joint Committee on Taxation, would amount to $20.50—$20.50 on average.

My amendment would provide a benefit that would go back to our communities where we know from our mayors and county executives how difficult it is for local taxpayers to support the costs of special needs education. In some cases, the cost of a special needs child can be $50,000 or more per year. Now, on average, it is a lot lower, but there are cases that are not that rare, in fact where the costs are very high, that is borne by the local property taxpayers, or the State taxpayers.

We made a commitment—the Federal Government—and said: we think you ought to provide an education for all children in this country. We think it is important to educate children with disabilities. I will tell you what we will do, communities and States. If you will support this effort and put up 60 percent of the money, we will put up 40 percent of the money.

Despite the fact we made that commitment more than a quarter century ago, we have only gotten up to 12.7 percent. Now, $1.2 billion doesn't get you to 40 percent, but it gets you a lot closer. That is real tax relief, what the Governors are asking us to do, what the national school boards are asking us to do, and what our mayors and county executives have asked us to do.

I can't think of a better way to allocate $1.2 billion if we are going to do it at this juncture, do what the Governors asked us to do and what the mayors asked us to do—that is, be the partner we promised to be on special education.

My mayors in Connecticut tell me it is the most important issue to them. I asked them what we can do to help them out. They say: Help us in this area. You made the promise, so why don't you do it?

Instead, what we do too often is pit people against each other in local communities, where a family, unfortunately, has been hit with a child born with a significant disability and, all of a sudden, the cost of educating that child is high, and there are people who resent that fact locally. It creates tensions in our towns and cities. I don't think that ought to be the case. So with scarce resources, why not pitch in, why not meet the commitments we have made.

This may take a supermajority vote. I suspect there is going to be a point of order raised against this amendment that will require 60 votes. I have listened to my colleagues over and over, going back some 7, 8, 10 years ago when I first offered this amendment in the Budget Committee. I lost the amendment on a tie vote. To the credit of the majority leader, TRENT LOTT, he supported me, as did several other Republicans. However, I lost some Democratic votes on the Budget Committee. Almost every year since then, I have offered some variation of this amendment. We have come close some years, not so close in others. But all of us know when we go back to our States, this is an issue our constituents and their representatives at the local level care about, and they want the Federal Government to live up to the commitments we made so many years ago.

It is important to children with special needs. Again, I am preaching to the choir, I suspect, because all of my colleagues care about education. But if we are going to have the best educated population this country has ever produced—and I think we need to do that if we are going to succeed in the 21st century—then we have to make intelligent investments of taxpayer money when it comes to achieving that goal.

We have children with special education needs. This is an opportunity now for us to not provide a $20.50 average tax break, but to get money back to these communities that will allow them to provide the kind of educational opportunity for children with special needs who can be productive, contributing members of our society. But if children with disabilities don't get the educational tools they need, they too often face insurmountable obstacles.

Again, it is not that what the Senator from Georgia has proposed is necessarily a terrible idea; I am not suggesting that. I suggest if you have limited resources, and we have clear choices—I think most Americans when confronted with the choice of getting a $20.50 tax break over 5 years, or seeing this money go to defray local property taxes or State taxes, to live up to the commitment on special education, I believe most Americans would choose the latter; they would see this as a better investment of their tax money by reducing those costs.

So I also want to add, if I could at this point, a list of what it costs each State, the charts that will spell out in each State the special education costs. They are very high. These are very high costs in terms of what we are contributing. To give you an idea, in the State of California, in special education costs, we come up with 5 percent of the money, the State comes up with 71 percent, and the local government comes up with 24 percent. Going on down this list of various States, to give you some sense of it. In the top State I can find, Indiana, we do 17 percent, the State does 63, and the local does 20. Most of them are in the single-digit area where it is 4, 5, 6, 9 percent coming from the Federal Government.

Mr. President, I ask unanimous consent that this list of education expenditures reported by selective States on special education be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE I-2—SPECIAL EDUCATION EXPENDITURES AS REPORTED BY SELECTED STATES

[19th annual report to Congress: Section I—The costs of special education]

State	Total special education expenditures*	Associated special education student count**	Average State-defined special education expenditure per student	Percentage of support by source: Federal	State	Local	Confidence in data
California	A $3,070,700,000	D 550,293	$5,580	5	71	24	SC
Colorado	A 260,337,092	E 76,374	3,409	9	31	60	HC
Connecticut	627,331,211	73,792	8,501	4	37	59	HC
Florida	B 1,470,186,078	D 290,630	5,059	6	56	38	C
Indiana	B 350,430,294	127,079	2,758	17	63	20	NC
Iowa	B 277,700,000	E 65,039	4,270	11	70	19	HC
Kansas	B 326,106,608	47,489	6,867	7	54	39	HC
Louisiana	427,924,416	E 108,317	3,951	6	94	0	C
Maine	B 145,000,000	30,565	4,744	8	59	33	HC
Maryland	757,328,777	95,752	7,909	5	26	69	HC
Massachusetts	1,065,523,416	149,431	7,131	6	30	64	HC
Michigan	B 1,334,000,000	F 188,703	7,069	6	34	60	HC
Minnesota	A 689,656,932	D 96,542	7,144	6	70	24	NC
Missouri	436,778,659	G 121,419	3,597	10	30	60	C
Montana	54,865,132	17,881	3,068	14	60	26	HC

TABLE I–2—SPECIAL EDUCATION EXPENDITURES AS REPORTED BY SELECTED STATES—Continued

[19th annual report to Congress: Section I—The costs of special education]

State	Total special education expenditures*	Associated special education student count**	Average State-defined special education expenditure per student	Percentage of support by source			Confidence in data
				Federal	State	Local	
Nevada	202,369,114	24,624	8,218	4	40	56	C
New Mexico	B 250,000,000	45,364	5,511	9	90	1	SC
North Carolina	C 344,809,332	142,394	2,422	15	76	9	HC
North Dakota	54,560,122	12,180	4,479	10	31	59	SC
Rhode Island	147,300,000	25,143	5,858	5	36	59	HC
South Dakota	61,618,034	15,208	4,052	13	49	38	HC
Vermont	79,155,945	H 10,131	7,813	5	39	56	HC
Virginia	608,692,266	D 129,498	4,700	9	23	68	C
Wisconsin	A 630,000,000	95,552	6,593	6	62	32	C
Total for all reporting States	13,929,607,674	2,581,905	5,395	7	53	40	
Total for highly confident or confident States	9,514,260,326	1,750,477	5,435	7	44	49	

*States reported for the 1993–94 school year except as designated below.
**Count of students reported by the State associated with the reported total expenditure; includes age range 3–21 except as designated below.
A 1992–93 B 1994–95 C 1990–91 D Includes age range 0–22 E Includes age range 0–21 F Includes age range 0–26 G Includes age range 3–22 H Includes age range 5–22.
Confidence in Data.
HC—Highly confident SC—Somewhat confident C—Confident NC—Not confident.
Source: CSEF Survey on State Special Education Funding Systems, 1994–95

Mr. DODD. Mr. President, it is unfortunate, in a sense, to begin this dialog with such a piece of legislation that my friend from Georgia has offered, which I think is not well conceived in terms of the impact it could have, if we chose to dedicate it to special education.

While education may be the issue foremost in the minds of the American public, I highly doubt that the public has this legislation before us this morning in mind when they think of ways the Federal Government could be helping to improve our schools in this country.

Education savings accounts, as proposed in this legislation, represent, in my view, bad education policy, bad tax policy, and a waste of valuable Federal resources that could be so helpful if directed to public schools and special education needs. In fact, the legislation offered by our friend and colleague from Georgia offers very little to public schools.

Remember, there were 55 million kids in this country getting up and going to school a couple of hours ago. They went off to elementary and secondary schools this morning across the country; 5 million went to a private or parochial school; 50 million went to a public school. Even if we try to take every kid out of a public school and put them in a private school, they would not fit. The overwhelming majority of kids who went to school this morning went to a public school. Certainly, while we bear a responsibility to try to improve the quality of education for all children, we certainly have a unique and special responsibility to see to it that public education gets our undivided attention—at least the majority of our attention on this issue, not at the exclusion of the others.

Certainly, we have a very high degree of responsibility to see that these children are going to get the quality education they deserve. According to the Joint Tax Committee, not a partisan committee, the average benefit per child in public school would be approximately $20.50 over 5 years. I ask the question: How is the family of a public school student going to improve their child's education environment with an average benefit of $5 a year? I believe, however, that we can salvage the bill before us and make a real contribution to the work of teachers, parents, and our communities.

My amendment simply does the following: It takes the $1.2 billion in this proposal and sends it down instead to local schools to help meet the costs of special education. This straightforward proposal offers an alternative to the underlying legislation, which will make a real difference, in my view, in education and in our schools.

Upon the enactment of the Individuals With Disabilities Education Act in 1975, the Federal Government committed to our State and local governments around this country—to all 50 States—that it would contribute—we would, the Federal Government would, the Congress would—40 percent of the funds needed to provide special education services. That was 25 years ago we made that commitment.

Presently, the Federal contribution for special education is 12.7 percent of their special education costs. And that varies from State to State. The Federal contribution to special education has never risen above 13 percent. The Federal Government, today, would need to boost its IDEA funding an estimated $15.8 billion to live up to its original commitment to our Nation's special needs children in our districts and States across the country.

The amendment I offer this morning would redirect the $1.2 billion over 5 years spent by the Coverdell initiative to IDEA. These funds would directly aid State and local school districts in providing the critically important special education services children with disabilities deserve.

I often hear from school and town officials in my State of Connecticut—as I am sure the Presiding Officer does in Idaho, and my colleague from Georgia does as well—about the high costs associated with providing special education services. Our local school districts are struggling to meet the needs of their students with disabilities which at times can be overwhelming to smaller rural communities. In Connecticut, the State spends more than $700 million annually, or 18 percent of the State's overall education budget, to fund special education programs. In Torrington, CT, special education costs recently increased from $635,000 to $1.3 million over a two year period. Torrington is a relatively small, midsized, urban community in my State. It is not Hartford, Bridgeport, New Haven, or Stamford. Torrington is a small town. $1.3 million in that small town's budget goes to provide special education services. However, for my part, I believe the issue is not that special education services may cost too much. They are clearly a good investment, in my view, over the long term. Rather, the issue is that the Federal Government contributes too little.

Congress passed the IDEA legislation. I believe Congress should fulfill its commitment to our Nation's special needs children and our communities by increasing its share, as we committed to do, of special education costs before we enact legislation proposals such as the one before us that do nothing, in my view, to improve the quality of our public schools.

Over the last few years, this body has greatly strengthened the federal commitment to children with disabilities. Since fiscal year 1998, Congress has increased special education funding by 25 percent. However, that money is spread thinly across 50 States.

Despite the Federal Government's recent increases in its support for special education services, the cost of providing these services has risen dramatically in recent years. Our recent increases in funding are not keeping pace with increased costs. Today, providing special education services to a child with a disability costs about 2.3 times that of regular education. Special education spending grew 19 percent of all school spending in 1996 across the country.

Thus, changes in enrollment in special education programs in recent years is also a key factor behind increases in costs for special education programs. In the last 5 years alone, schools' special education enrollment has increased by 12.6 percent. Today, 1 out of every 10 students in public schools receives special education services under the IDEA legislation.

In my own State of Connecticut, approximately 14 percent of all students are enrolled in special education programs. Our State and local school districts need our help. The amendment I am offering today moves us in the right direction.

According to a 1996 Gallup poll, 47 percent of those surveyed said America is spending too little of its education budget on students with special needs. Only 5 percent of those surveyed reported that too much is being spent on special needs children. The amendment I offer Senator COVERDELL's legislation would address this public concern.

By increasing the Federal contribution to States for special education services, I believe we will greatly aid State and local school districts by allowing them to reduce the disproportionate share of special education services they have had to carry for far too long. When school districts are forced to increase the amount of funds for special education, they are often forced to raise taxes or reduce funding for nonspecial education programs. These school districts need our help. More importantly, though, children with disabilities need our help more.

Demonstrating the importance of special education funding to our States, the National Governors' Association—again, I refer to the letter behind me to the Senate Budget Committee chairman—asks Congress to fulfill its commitment to special education funding before "funding new tax initiatives or tax cuts" such as being proposed by the Coverdell proposal.

Additionally, the National School Boards Association letter dated February 23 to all Senators says, "Rather than create a tax benefit for a select few, applying these funds to special education would benefit more taxpayers and public schools" across the country.

We often like to talk in this body about what the public wants and what they need. Yet here we have the National School Boards Association, those who every day have to make the tough choices deciding how to operate our schools across the Nation, asking us not to enact tax relief that would only benefit a select few and telling us what our children really need—better qualified teachers, smaller class sizes, and more funds for special education.

Today, I hope as we come back later in the afternoon to this amendment that our colleagues will rally behind us. We could accomplish a great deal. It would be a major first step in coming together in a bipartisan way to do something about which all of us have talked to our States about for many years, and that is to be a better partner when it comes to educating children with special needs. We have not been the full partner we promised to be. The costs are going up, and the local taxpayer is being saddled with that burden.

We have an obligation and I think a responsibility. We can live up this obligation this afternoon by voting for this amendment and saying that the $1.2 billion in this proposal we will given back to our States to give to these children, to these mayors, to the county executives, and to our Governors to see to it that these children and our communities will have an opportunity to meet those responsibilities.

I see that the hour for us to recess is about at hand. I will not delay the proceedings of the Senate any longer except to note that I will come back this afternoon to talk about this further and invite my colleagues to come forward on both sides of the aisle to engage in this discussion. We haven't had many votes this year. We haven't had much of an opportunity in this Congress to express what we think the priorities of the American public are and how we can fulfill them. But we all know education is right at the top of American's priorities, indicating that the American public wants this Congress, their Government, to pay attention to the needs of the educational responsibilities in our country. I think we have a chance to do that today with this amendment.

Presently, we only contribute 7 cents out of every dollar to education. Ninety-three cents comes from local and State taxes. Seven cents comes from Washington DC. But here we have a chance, with our 7 cents, if you will, to do something meaningful for our States and meaningful for these families and children with special education needs.

My sincere hope is that when the opportunity arises for us to answer the rollcall on how we stand on this issue, this body will vote overwhelmingly in support of this amendment and do something very meaningful today with a message we can give our Governors as they go back to their States, and say, Congress is a partner when it comes to special education needs.

I yield the floor. I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, I will have a good bit to say about this most recent presentation by the Senator from Connecticut. Now is not the time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, it is my understanding by previous order we are to recess at 11.

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 11 a.m. having arrived, the Senate stands in recess until 2:15.

Thereupon, at 11:01 a.m., the Senate recessed until 2:16 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. INHOFE).

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AFFORDABLE EDUCATION ACT OF 1999—Continued

Mr. COVERDELL. Mr. President, I ask unanimous consent that the time between now and 4 p.m. be consumed in an equally divided fashion for debate on the pending Dodd amendment, and at 4 p.m. the Senate vote in relation to the Dodd amendment. I further ask consent that following the vote, the Senate resume consideration of the Collins amendment No. 2854.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, I further ask unanimous consent that following the disposition of the two above-described amendments, Senator ROBB be recognized to call up an amendment regarding school construction.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, in light of this agreement, Members of the Senate should note that the next vote will occur at 4 p.m., and a second vote regarding the Collins amendment will occur shortly thereafter.

AMENDMENT NO. 2857

Mr. COVERDELL. Mr. President, while the other side is preparing further remarks about their amendment, I want to make it very clear that the amendment offered by the Senator from Connecticut would, one, make moot the principal core of this legislation, the education savings account. It just wipes it out. No. 2, I wish to make the point that he is making moot an issue that has received extensive bipartisan support in the Senate.

The principal coauthor of the education savings accounts is Senator TORRICELLI of New Jersey. When this

FOR LOCAL LEADERSHIP OF PUBLIC EDUCATION

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SCHOOL BOARD NEWS

FRONT PAGE ABOUT ARCHIVE NATIONAL AFFILIATE NSBA

Voucher drive gaining momentum, school board leaders warned

2/8/00 – A well-financed "misinformation campaign" by school-voucher proponents is beginning to sway public opinion--and school board members must respond forcefully.

That was the warning given by Ralph Neas, president of People for the American Way, who spoke at the NSBA Leadership Conference, Jan. 28 in Washington, D.C.

For years, pro-voucher groups have exaggerated the problems of public schools, accused educators of being hostile to religious values, and provoked controversy over classroom materials, Neas told an audience consisting largely of elected officers and executives from the nation's state school boards associations.

Although public opinion polls show a majority of Americans still oppose vouchers, there are signs that this opposition is softening.

"For the last decade, the other side has been doing a better job of communicating and putting us on the defensive," Neas says. "You can't underestimate the tenacity of pro-voucher groups."

To respond to these attacks, school boards need to do more than simply criticize voucher proposals, he says. More needs to be done to publicize what's working in the schools. School boards need to reach out aggressively to involve parents and reassure them about their schools. And troubled schools need to be fixed--right away.

"The number one political reality is we cannot fight against vouchers with nothing," he says. "We must be for something."

The current strategy of voucher proponents is to target these programs to minority students in troubled inner-city schools. This approach resonates with citizens and lawmakers frustrated by the problems of urban schools. Once in place, though, voucher supporters are likely to demand eligibility be extended to other students.

At least 10 states are likely to debate voucher legislation this year, and conservatives in Congress will make a new bid for a federal program. And the U.S. Supreme Court is expected to eventually take up the constitutional questions surrounding vouchers.

Speaking at the same session, Wayne Blanton, executive director of the Florida School Boards Association, offered the audience some lessons learned during last year's legislative battle over Florida's statewide voucher program.

Although anti-voucher groups faced an "uphill battle" against a Republican-controlled legislature and a pro-voucher governor, Blanton says the legislative fight was made tougher when state officials inserted the plan into a huge, 185-page education bill that dealt with such popular proposals as improved teacher training and additional funding.

Some people questioned why the education community was against "teacher reform," and anti-voucher forces had to refocus their attacks to narrowing the scope of the voucher initiative as best they could.

According to Blanton, an important lesson of the Florida voucher fight is that pro-voucher forces are capable of marshalling a sophisticated, well-financed campaign. Large sums of money were raised from pro-voucher business leaders, he says, and voucher proponents put together a powerful stable of 30 to 40 of the state's most influential lobbyists, including many former state officials.

Pro-voucher forces surprised educators by revealing that they'd been preparing for the legislative fight for months. As a result, Blanton admits, "We got started late. They had lined up a former governor and lieutenant governor to lobby for the bill." They had radio ads and billboards lined up early.

Another lesson learned is that school boards need to choose their allies carefully. The teachers' unions were rightly kept at arm's length, he says, because Republican lawmakers saw the unions as "Democratic fund-raising organizations" and ignored them. More potent allies would have included the Catholic schools, which are wary of government regulations, and charter schools, whose supporters are worried vouchers will steal away students and funding.

FOR LOCAL LEADERSHIP OF PUBLIC EDUCATION

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SCHOOL BOARD NEWS

Public strongly supports public schools

9/14/99 – A large majority of Americans continue to support public education and oppose efforts to seek an alternative system, reports the 31st Annual Phi Delta Kappa/Gallup Poll of the Public's Attitudes Toward the Public Schools.

According to the poll, the findings "clearly affirm the public's belief that our national commitment to educating all our children through the public schools should be maintained."

One question, first posed in 1997, asked whether the public prefers "reforming the existing public school system or finding an alternative to the existing public school system." The findings, which are roughly the same as in 1997, show that 71 percent opted for reforming the existing public school system, and just 27 percent favored seeking an alternative system.

Among the 1,103 adults polled, 70 percent said the nation should focus on improving the existing public schools; 28 percent preferred a voucher system for tuition at private schools.

If given a chance to send their children to private school with government funds, 51 percent of respondents said they'd leave their oldest child in his or her current school, while another 5 percent would choose a different public school; 39 percent would choose a private or church-related school.

Last year, 48 percent favored "all tuition" vouchers; 46 opposed them. This year, the figures are virtually unchanged with 47 percent favoring "all tuition" vouchers and 48 percent opposing them.

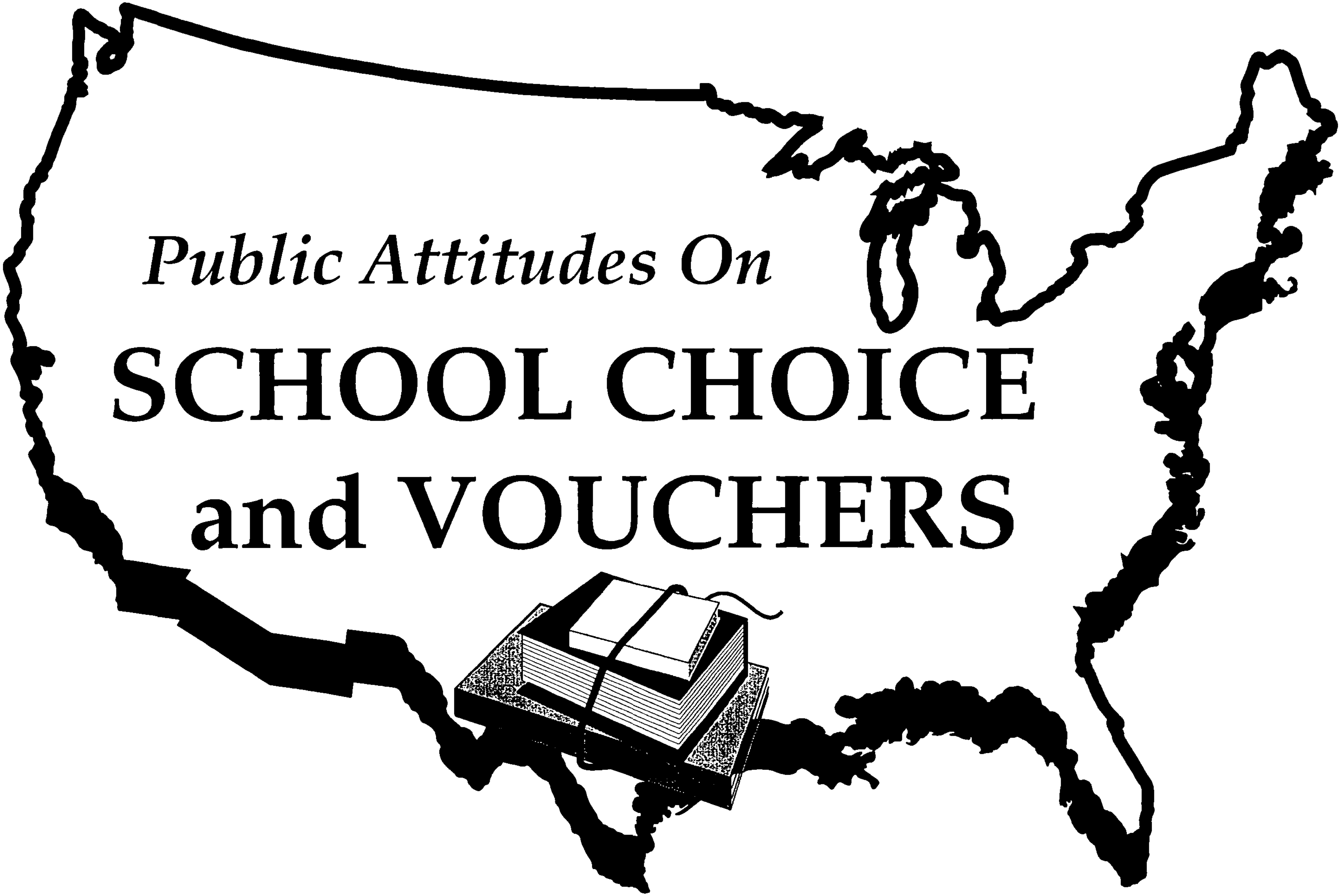
A clear majority (77 percent) says that schools accepting government tuition payments "should be accountable to the state in the same way public schools are accountable." And 74 percent believe schools that accept public funding "should be required to accept students from a wider range of background and academic ability than is now generally the case."

Support for allowing private, profit-making corporations to contract to operate schools has declined from 45 percent in 1994 to 41 percent in 1999.

Leading the list of desired changes this year is "discipline/more control/stricter rules" (mentioned by 12 percent), followed by "more teachers/smaller classes" (mentioned by 10 percent).

When asked about "obstacles to change," the most frequently cited was "finances/ funding" (mentioned by 13 percent). It was followed by "lack of parent involvement" (12 percent) and "government" (10 percent).

Peter D. Hart Research/American Federation of Teachers



Public Attitudes On
SCHOOL CHOICE and VOUCHERS

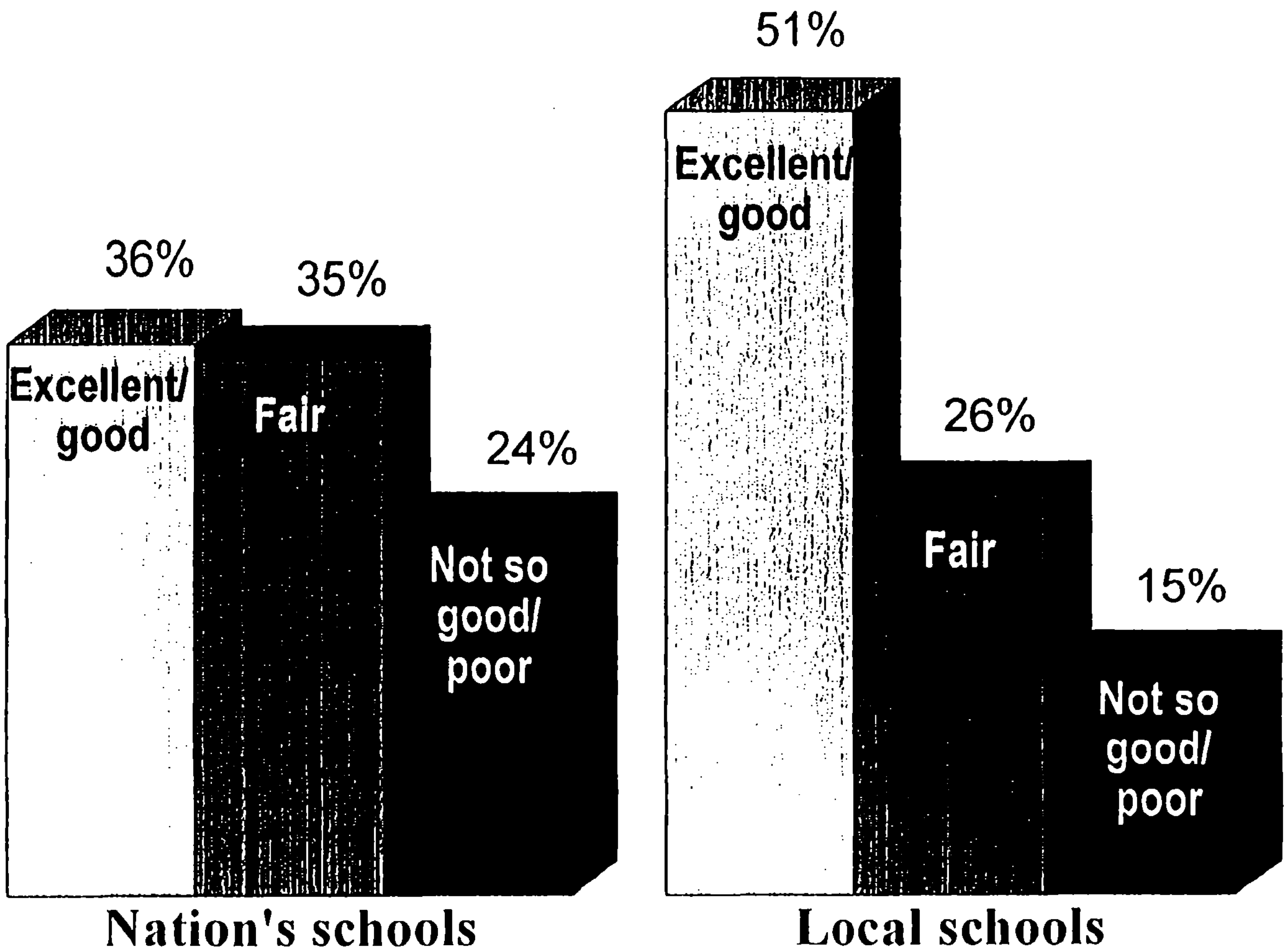
Overview Of Findings

- A majority oppose private choice, but support has grown.
- Vouchers are seen as an escape route for a few, not as a way to improve schools.
- Overwhelming majorities prefer real education reform to a voucher approach.
- People favor tough restrictions and standards for voucher schools.
- Voters reject pro-voucher candidates.
- Voucher opponents have powerful arguments available to them that can win this debate.

School Choice & Vouchers

Hart Research/AFT

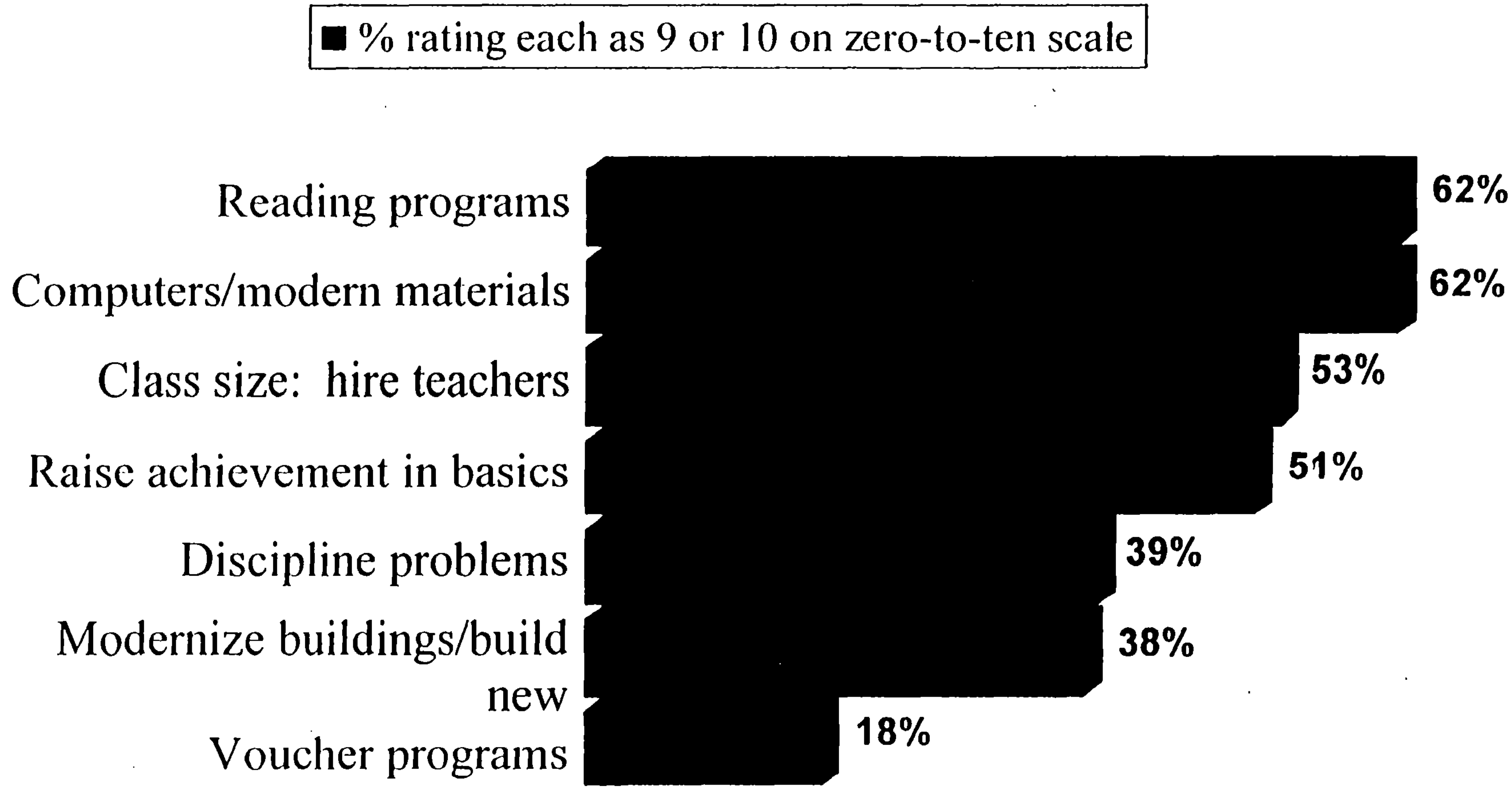
Quality Of Public Education



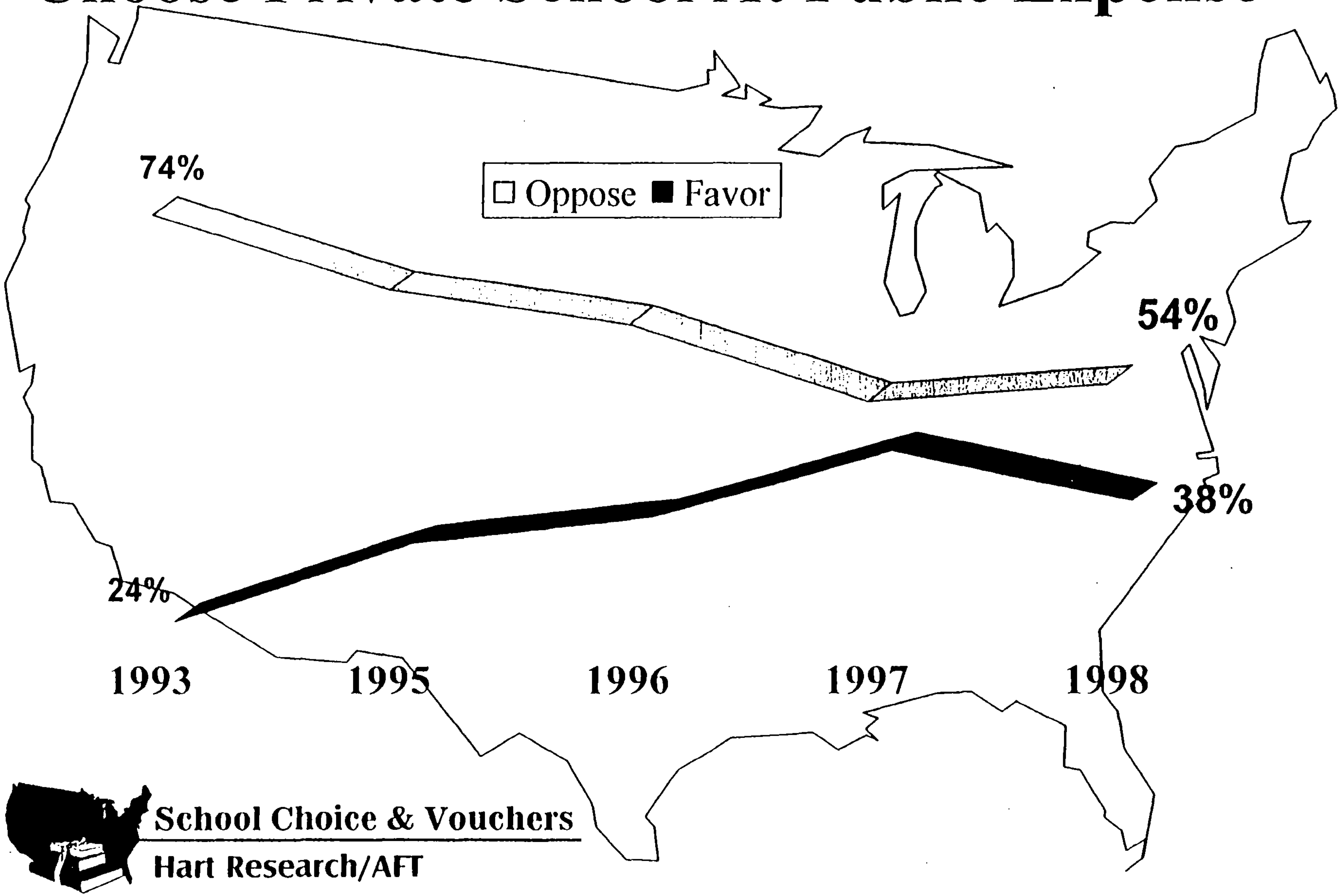
School Choice & Vouchers

Hart Research/AFT

Education Priorities



Support For Allowing Students/Parents To Choose Private School At Public Expense

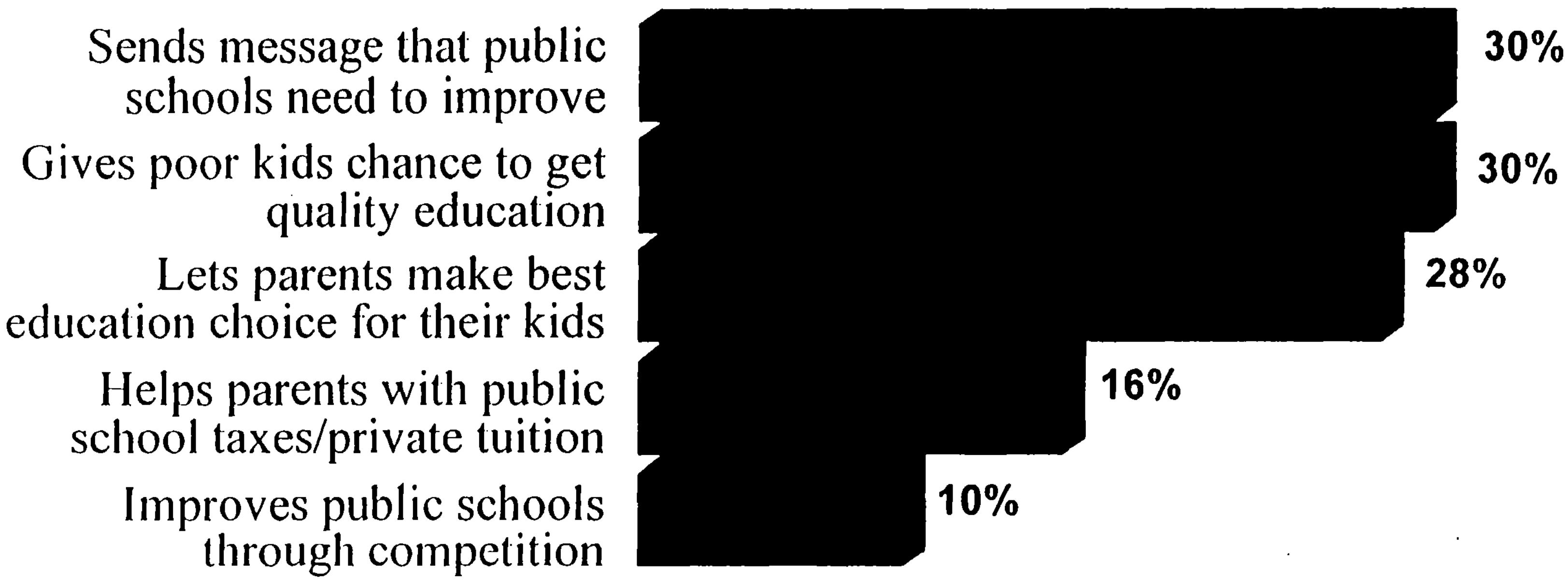


School Choice & Vouchers

Hart Research/AFT

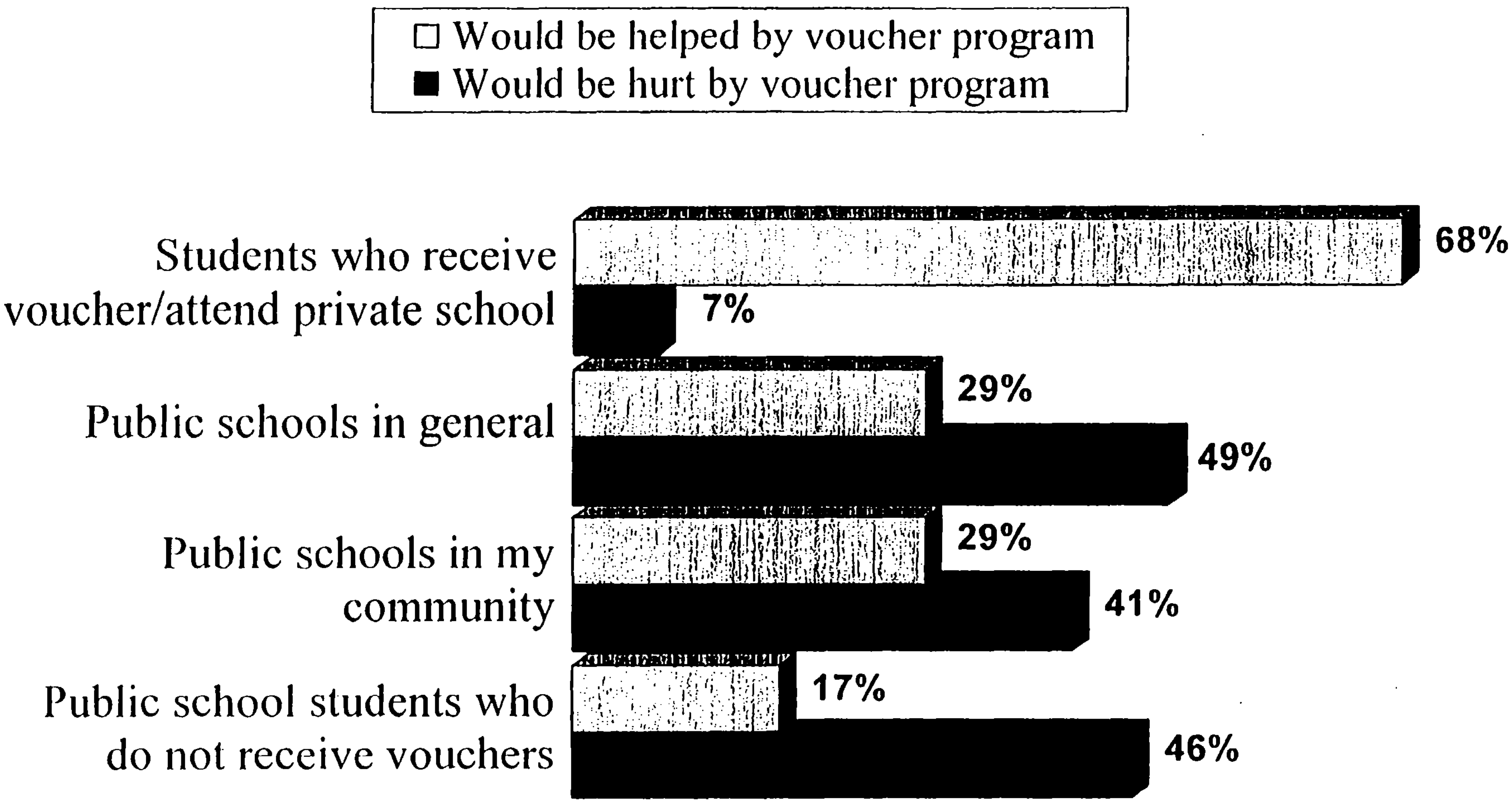
Reasons To Support Voucher Program

■ % selecting each among top two reasons



School Choice & Vouchers
Hart Research/AFT

Perceived Impact Of Vouchers



School Choice & Vouchers
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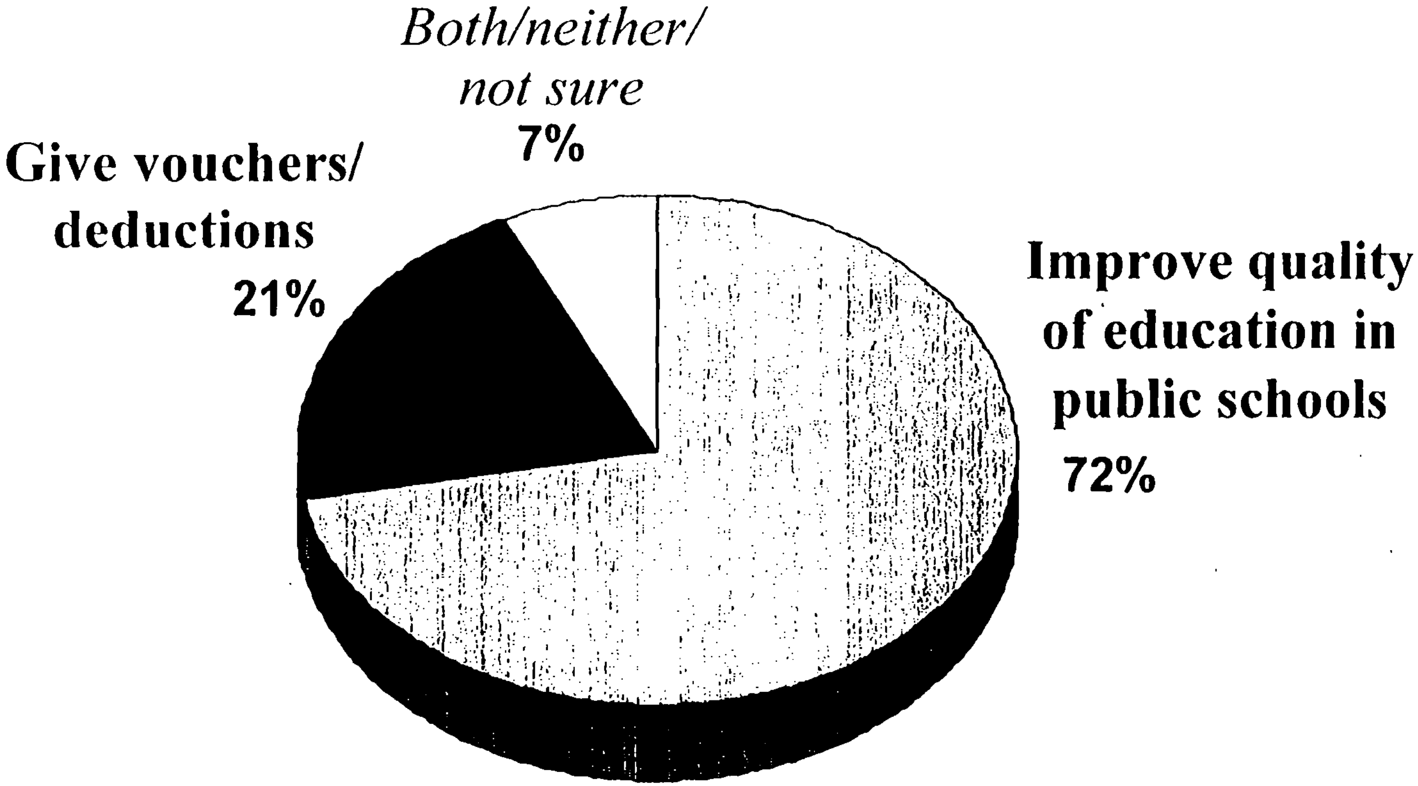
Public Favors Improving Schools Over Vouchers/Tax Deductions

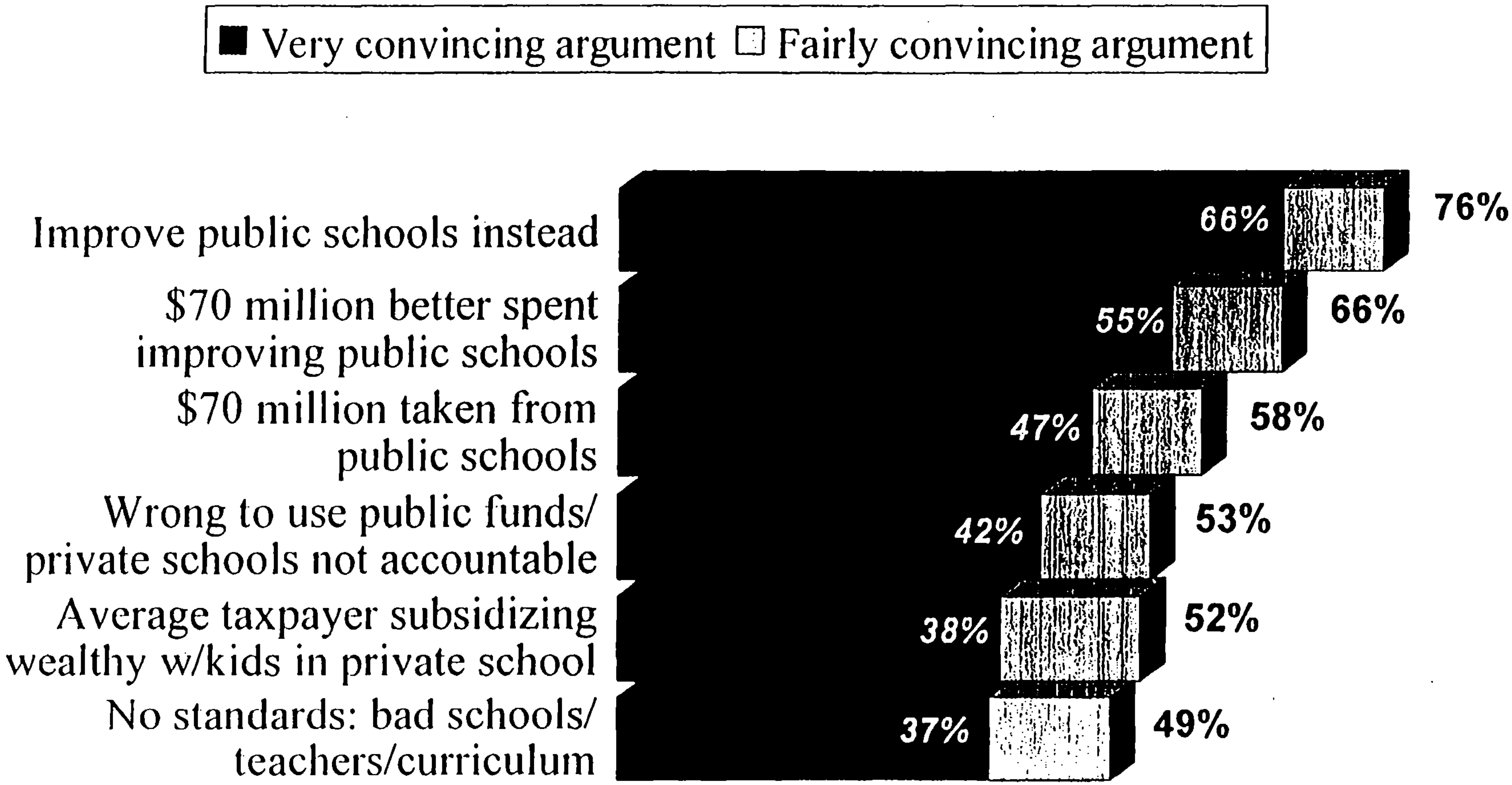
To meet the country's educational needs, we should:



School Choice & Vouchers

Hart Research/AFT

Top Anti-Voucher Arguments



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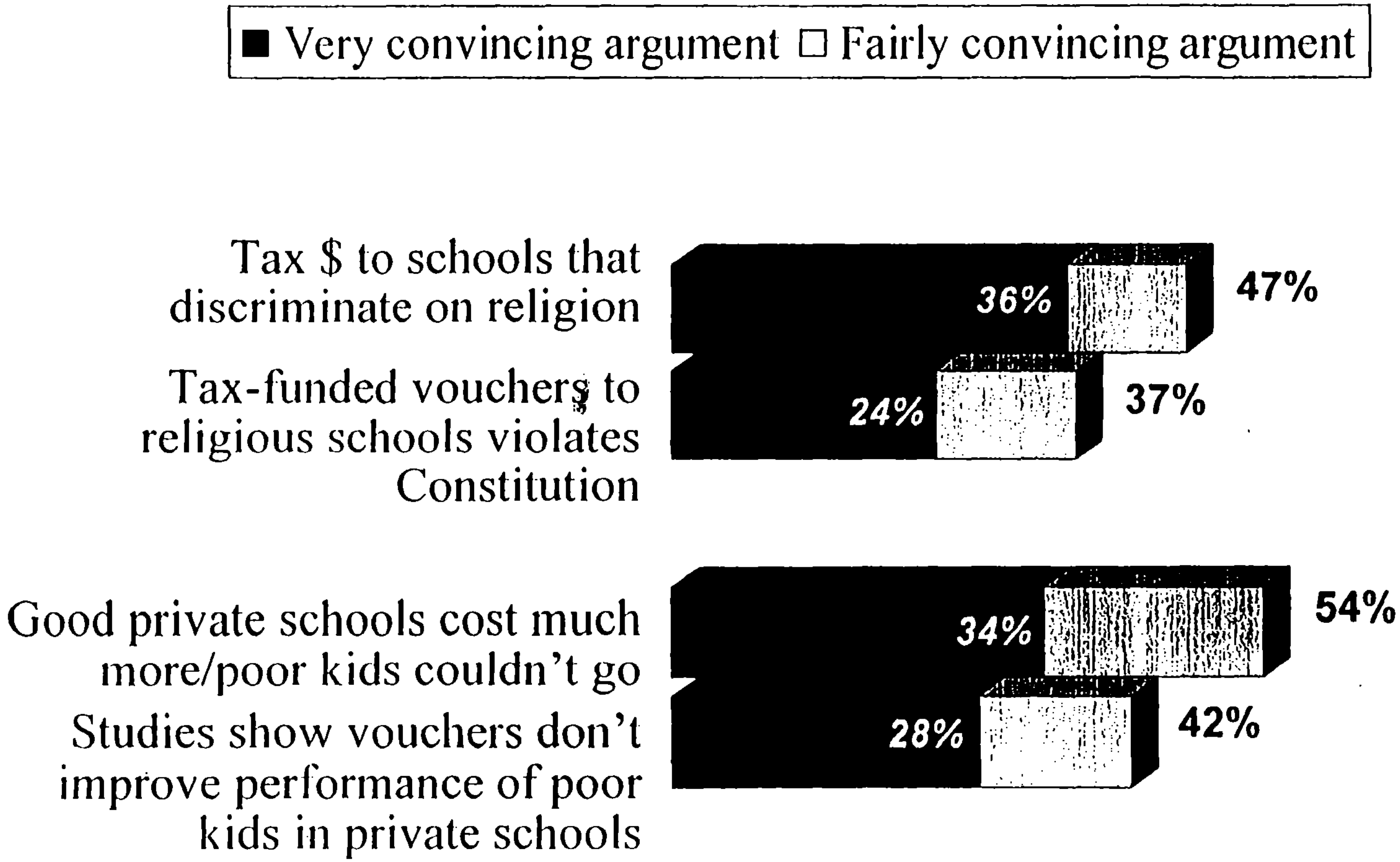
Religious Schools And Effectiveness Arguments



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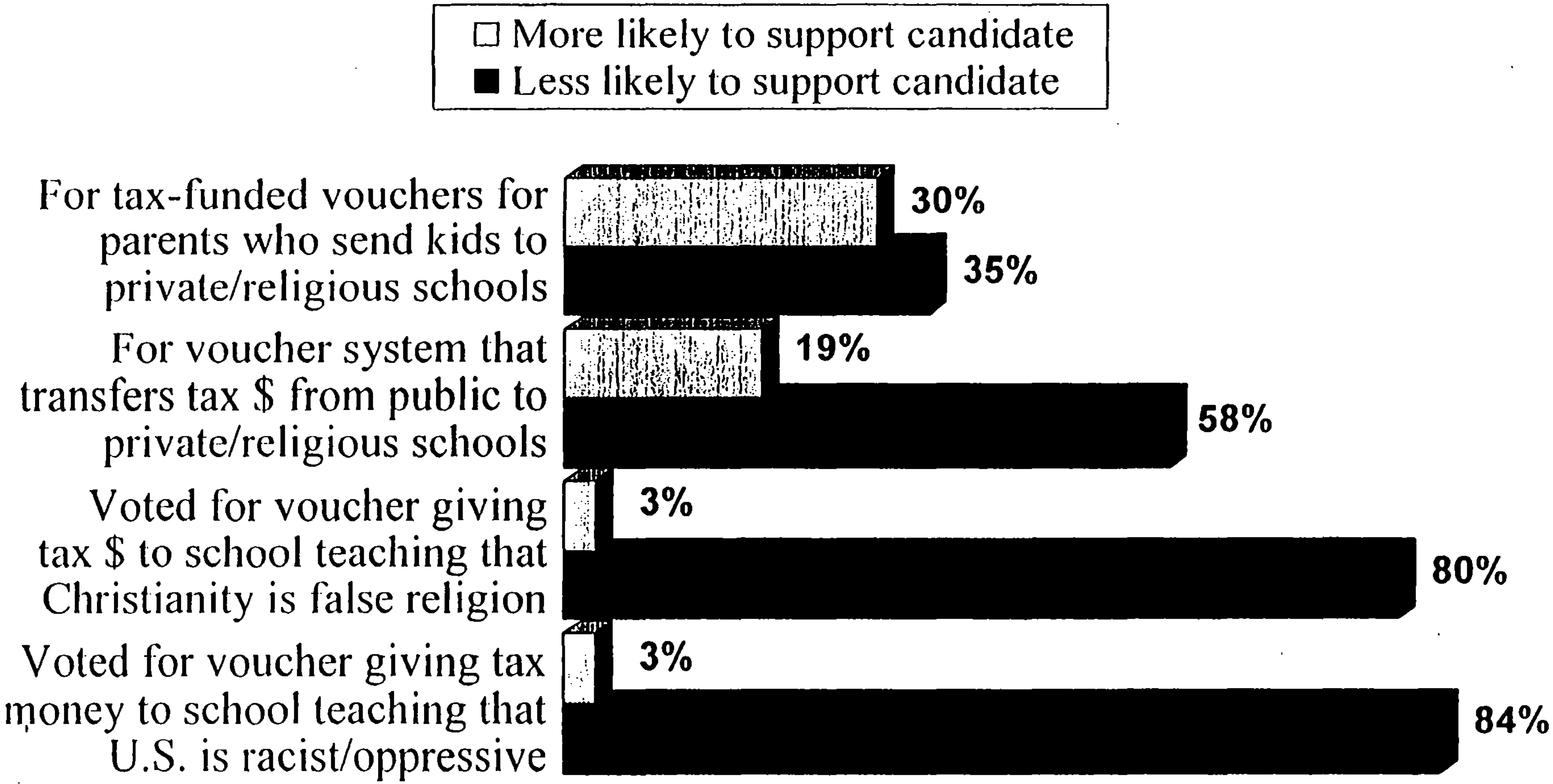
Political Risks For Pro-Voucher Candidates



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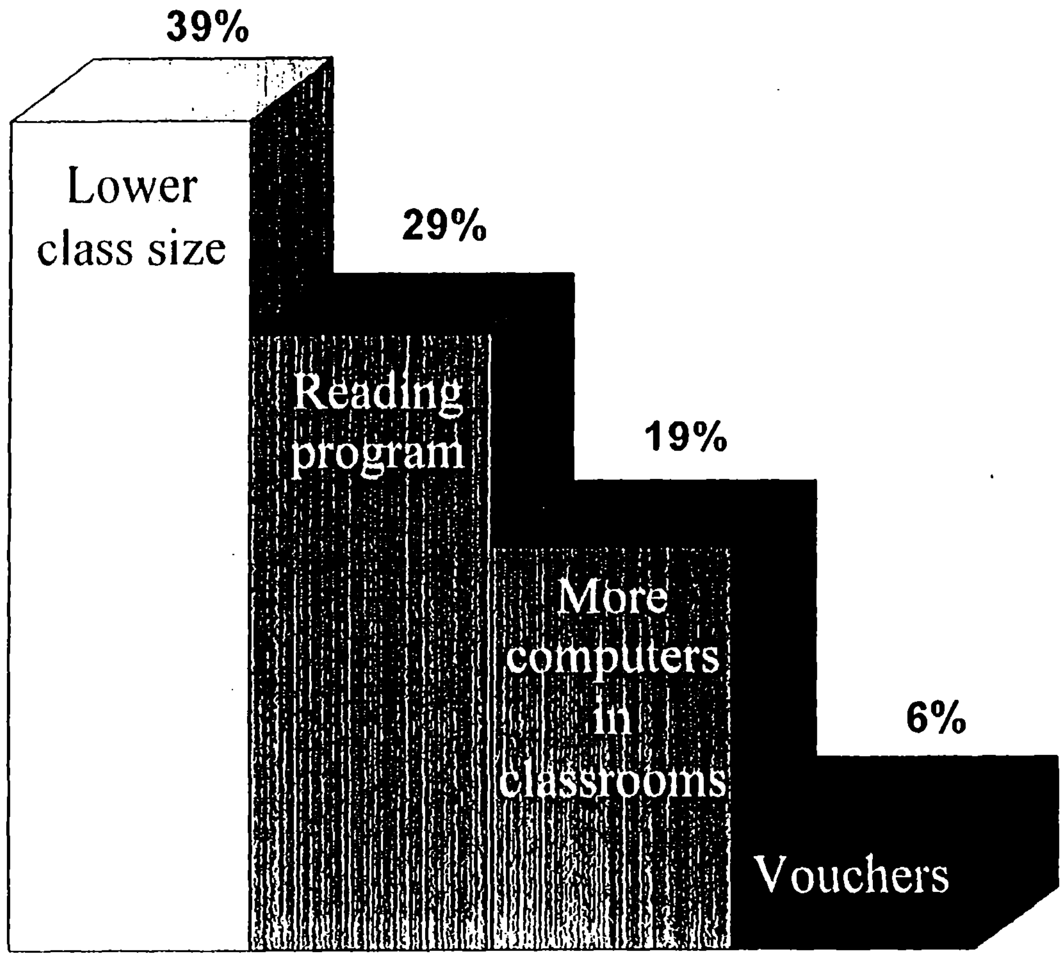
Best Way To Spend New Education Funds



School Choice & Vouchers

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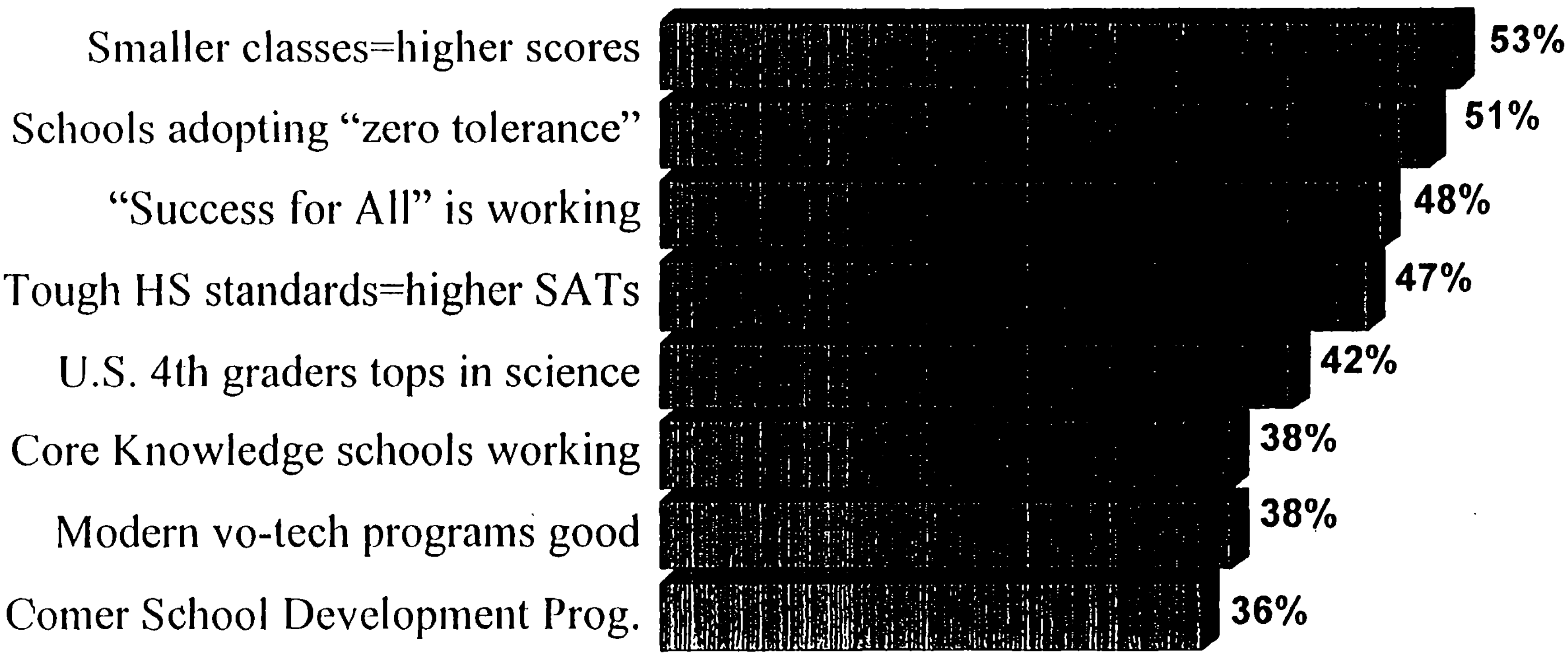
Positive Messages About Public Schools

% saying each makes them much more optimistic about public education



School Choice & Vouchers

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12 Steps For Opposing Vouchers

1. Frame the debate as a fundamental choice between vouchers for a few and improving public schools for all.

2. Offer specific alternatives for spending, such as class size, reading programs, computers.

3. Do not defend the educational status quo or concede the mantle of "change" to voucher proponents.

4. Focus attention on the children left behind rather than on those who leave.

12 Steps For Opposing Vouchers

5. **Challenge voucher advocates' commitment to public education and suggest they have given up on public schools.**

6. **Analyze and publicize the costs of a voucher plan, with specific figures.**

7. **Critique vouchers for requiring taxpayers to subsidize private decisions (to attend private school), often for the wealthy.**

8. **Emphasize private schools' lack of accountability and the danger of tax dollars going to inadequate/irresponsible schools**

School Choice & Vouchers
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12 Steps For Opposing Vouchers

9. Demand common-sense accountability standards for choice schools.
10. Think strategically about your audience and look for nontraditional allies.
11. Be aggressive in holding elected officials accountable for voucher positions.
12. Over the long term, provide the public with good news about public schools and seek to restore confidence in public education.

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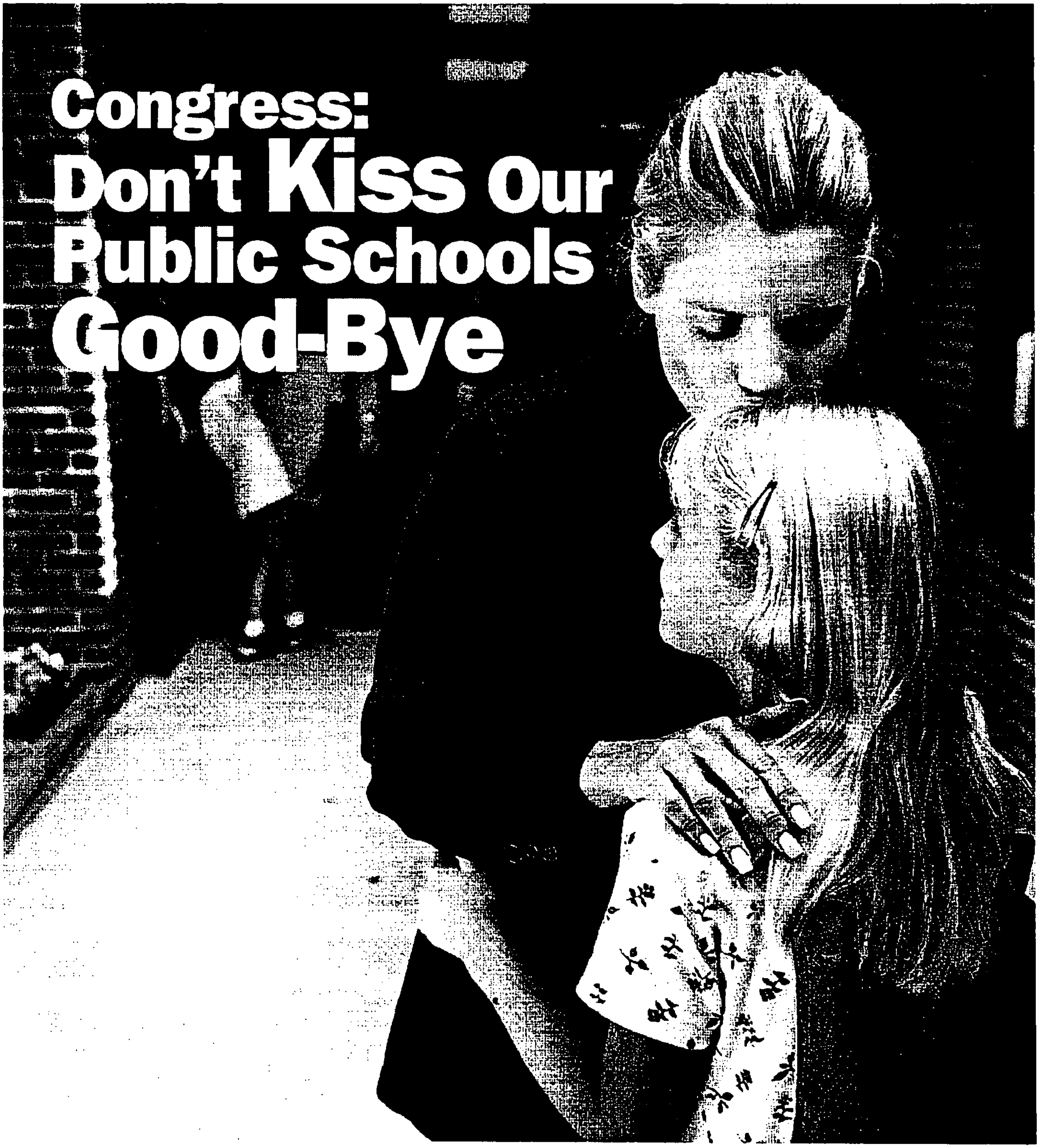

Congress is facing a fundamental choice – to provide vouchers for a few or improve public schools for all. Every dollar spent on voucher schemes drains a desperately needed dollar from our public schools. Cleveland's voucher experiment is costing the city's public schools $8,700,000 a year. And in Milwaukee, where a recent court ruling radically expanded the program, vouchers could rob the public schools of more than $70,000,000.

Congress: Don't give up on our public schools. They're educating nearly 90 percent of America's children. Work with us instead to improve our children's education, hire more teachers, shrink class size, and put more computers in classrooms. **Vote NO on vouchers.**

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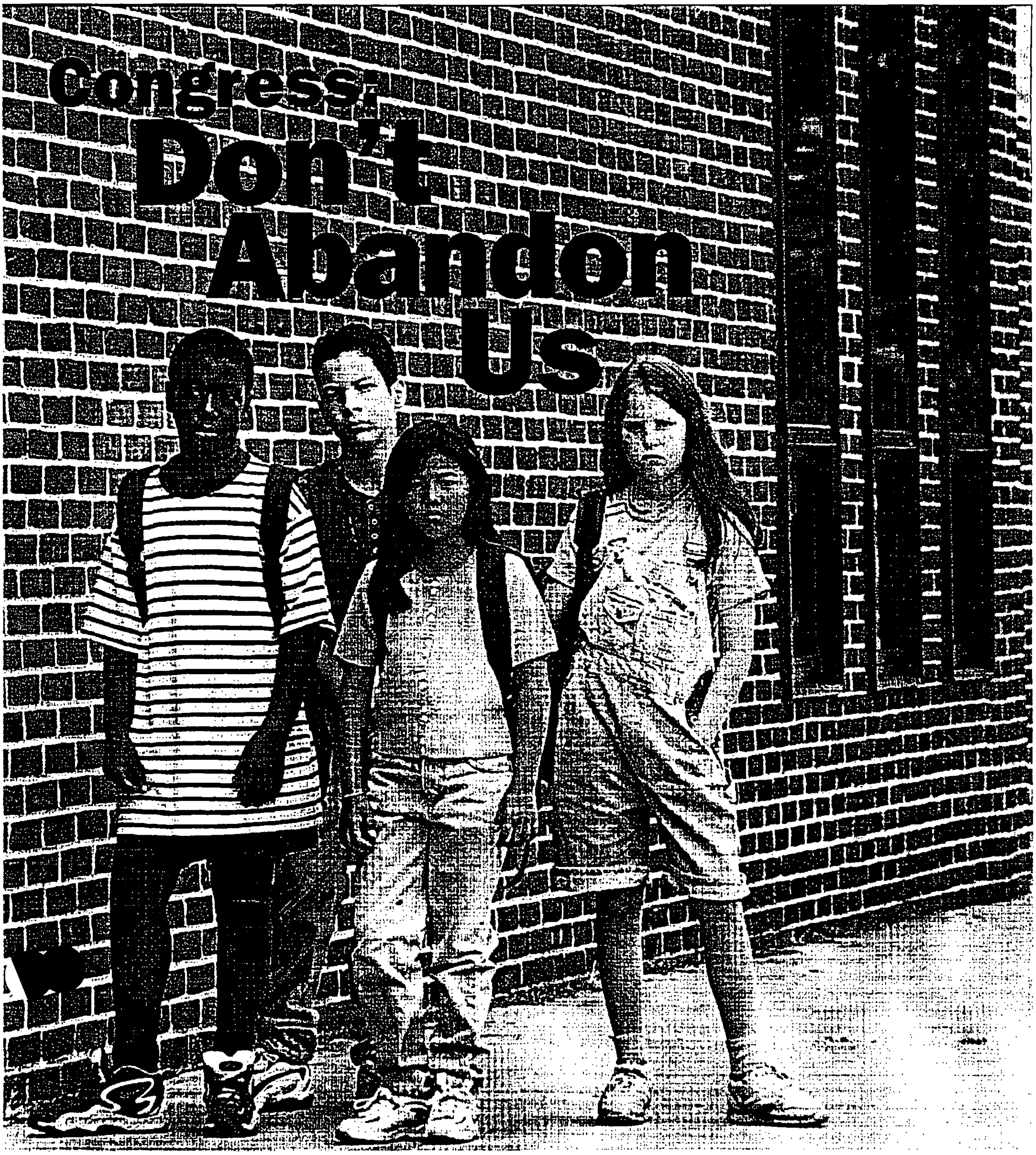
For more information on how to Protect America's Public Schools, call Toll Free at 1-877-BE4KIDS or contact us at www.nsba.org/be4kids or www.pta.org/be4kids

Paid for by The National School Boards Association and the National PTA.



Congress is facing a fundamental choice – to provide vouchers for a few or improve public schools for all of our children. To us it's not even a close call. We should be investing in – not abandoning – our public schools where nearly 90 percent of America's children are being educated. But every dollar spent on a voucher scheme robs our public schools of a dollar desperately needed to improve education, hire more teachers, shrink class size, and put more computers in classrooms. Milwaukee's voucher program could drain $70,000,000 a year that could be invested in the city's public school system.

Congress: Don't give up on our public schools. Don't abandon the school children they educate. Work with us instead to improve public schools for all of America's children. **Vote NO on vouchers.**

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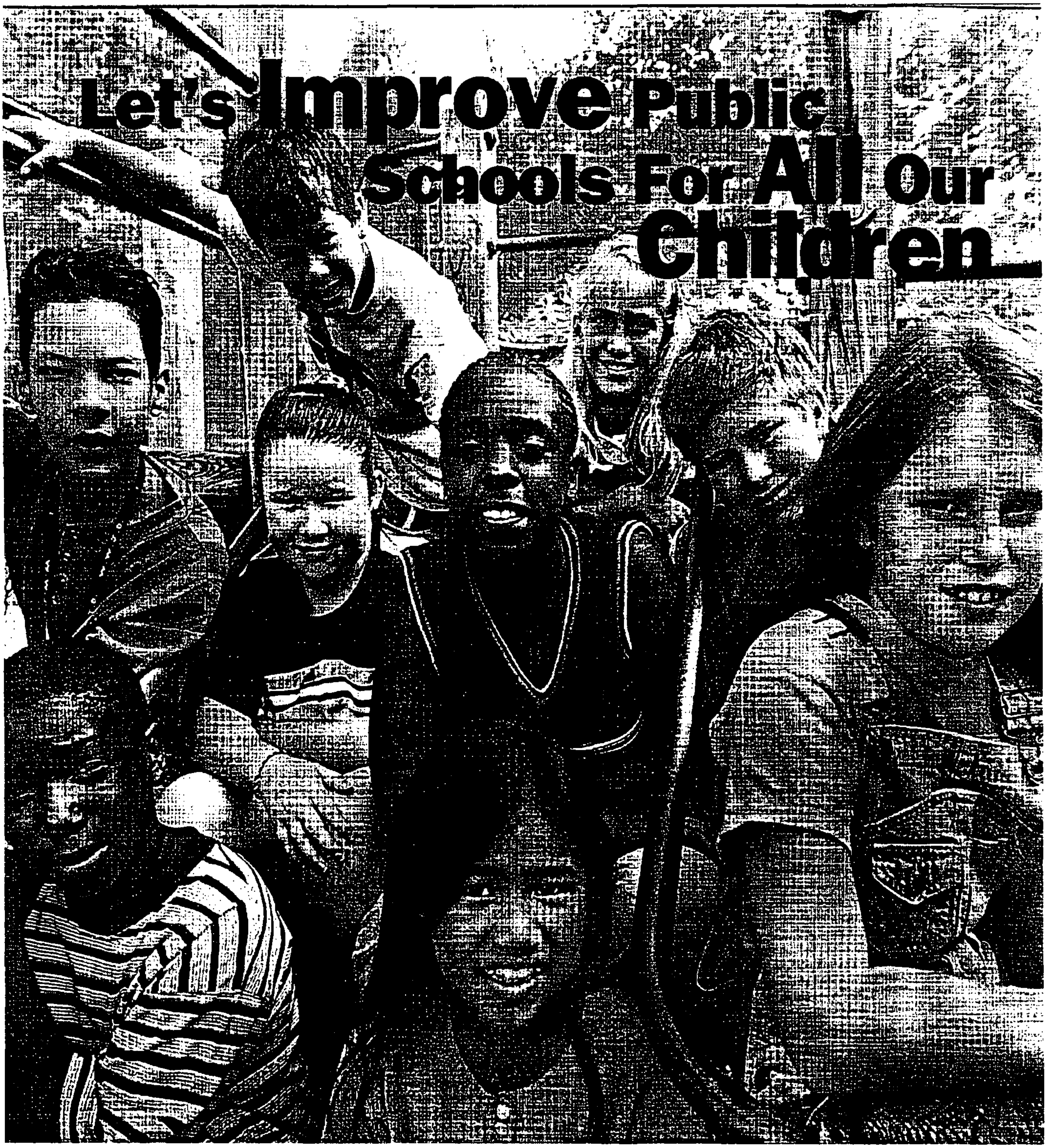

Congress is facing a fundamental choice - to provide vouchers for a few or improve public schools for all. But instead of funding a risky experiment, we believe lawmakers should invest in the system that has created opportunities for generations of Americans. Instead of giving our tax dollars to voucher schemes that are not accountable to us, we should be improving our public schools by hiring new teachers, reducing class size and putting more computers in classrooms.

Congress: Don't give up on our public schools. Don't abandon the nearly 90 percent of our nation's children who are being educated in our public schools. Work with us instead to improve the public schools for all our children. **Vote NO on vouchers.**

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Research Results: The Impact of Vouchers on Achievement

Darrel W. Drury
Director, Policy Research

In this section, three voucher programs – in Milwaukee, Cleveland, and New York – are described and research evaluating their impact on student achievement is discussed. Overall, there is little research evidence to suggest that vouchers significantly boost student achievement. Where evidence does exist, it is typically based upon weak research designs or faulty methodology. Some of the key points related to the voucher experiments presented in this section are:

- In Milwaukee, researchers find little or no achievement advantage associated with vouchers. The single study that reports substantially higher achievement for voucher recipients is severely flawed because it relies on a biased comparison of voucher students and unsuccessful applicants.

- In Cleveland, researchers report that students attending private schools established prior to the introduction of vouchers were wholly responsible for the modest achievement advantage of voucher students in two subject areas, while those enrolled in newly established private schools actually scored *lower* than their counterparts in the public schools across *all* subject areas.

- And, in New York, although researchers report that voucher students perform "significantly" better than a comparison group of unsuccessful applicants in math and reading, these findings are flawed due to a misuse of statistics.

While the effect of vouchers on student performance is an important issue, it is by no means the *only* issue – or, for that matter, the *central* issue that board members should consider. Thus far, proponents of vouchers have been successful in framing the debate around the achievement issue alone. As a result, research has been largely limited to an evaluation of student test-score differences. But there are many other issues that are equally important, including the potentially deleterious effect of vouchers on public school finance, the "creaming off" of the brightest and most motivated students under choice programs, and the potential for greater socioeconomic and racial segregation under vouchers. Also, whereas advocates often argue that vouchers will result in increased competition and innovation in the public schools, not a single study of U.S. voucher programs has addressed that claim. In order to effectively check this movement, it will be necessary to redefine the boundaries of the current debate to include a discussion of these topics as well.

Milwaukee

Program Description

The Milwaukee Parental Choice Program awarded its first vouchers, then worth up to $2,446, to 341 students in grades K-12 in 1990. Parents are not required to pay anything out of pocket, and participating private schools cannot charge more than their per-pupil operational costs. During this past school year, the program served 6,194 students, and vouchers were worth up to $4,894. Recipients receive assistance through the twelfth grade, unless they leave participating schools. Participating schools number 88, but three schools – Bruce Guadalupe, Harambee, and Urban Day – enroll more than 80 percent of all voucher students. The eligibility requirements for the Milwaukee voucher program are as follows: (1) family income must be under 175 percent of the federal poverty level; (2) recipients must be Milwaukee residents; and (3) students already in private schools may apply if they are in grades K-3.

Research Overview

Three distinct analyses of the data collected for the evaluation of the Milwaukee Prarental Choice Program present divergent views concerning the impact of vouchers on student achievement:

1. University of Wisconsin professor John Witte compares voucher students' achievement with that of a representative sample of Milwaukee Public School (MPS) students, using a statistical approach that factors out the influence of observed individual and family characteristics. He finds no systematic difference between voucher students' achievement and that of the MPS comparison group.

2. In another analysis, Jay Greene (of the University of Houston), Paul Peterson, and Jiangtao Du (both of Harvard University) compare voucher students' achievement with that of unsuccessful applicants – i.e., those who were not awarded vouchers in the lotteries conducted by participating schools – who returned to the Milwaukee Public Schools. Although these researchers report only a modest achievement advantage in reading for voucher students in year four (about 2-3 percentile points), they present evidence of a remarkable effect in years three and four for math. By the fourth year, voucher students outperformed unsuccessful applicants by 11 percentile points, with a major part of that effect in the fourth year alone. A fourth-year gain of the magnitude reported in this study, if sustained over the course of a 12-year education, would completely eradicate the achievement gap separating black and white students.

3. Finally, Princeton professor Cecilia Rouse compares achievement of successful applicants (all students selected to attend Choice schools, including those who never attended and those who subsequently left the program) with that of a random sample of MPS students, factoring out the influence of innate ability and various family characteristics. She finds no difference between successful voucher applicants' reading achievement and that of the MPS comparison group. However, she reports the math scores of successful applicants rise each year by about 1.5 percentile points more than the scores of MPS students.

It is important to note that the three studies reviewed here all employ the same data. What varies are the groups of students that are actually compared, the background variables that are controlled in the analyses, and the statistical approach used by each researcher. Most important in this regard is the decision as to which groups of students should be compared.

Greene, Peterson, and Du claim that their comparison of voucher students and unsuccessful applicants constitutes a "natural experiment." Among students who apply to the program, some are awarded vouchers by lottery and some are not, and, according to these researchers, this selection process ensures that the students comprising the two groups are equivalent in all respects but one – i.e., whether or not they receive a voucher. However, this particular "natural experiment" is invalid for several reasons. Most importantly, those students remaining in the study after four years are not representative of those who originally received and did not receive vouchers. Specifically:

- Of the students who received vouchers and enrolled in Choice schools, about 30 percent dropped out each year (by year four only 85 students in the first-year cohort of 341 remained), and those remaining were an unrepresentative, high-performance group. Basing conclusions on an examination of these remaining students is akin to evaluating the effects of smoking by examining only those smokers who don't die during the period in which the study is conducted.

- And, of the students not selected in the lotteries, only 48 percent – an unrepresentative, *low*-performance group – returned to the Milwaukee Public Schools and remained in the "experiment."

For these reasons,[1] it is extremely likely that the effects reported by Greene, Peterson, and Du are largely the result of a biased comparison. Indeed, the fact that no effects are noted until the third or fourth year may well be because it took several years for selective attrition to work its magic!

[1] Other factors also contribute to the unrepresentative nature of these two student cohorts. First, lotteries were conducted by each school with no monitoring to ensure that students were actually selected randomly. Second, disabled students may be disproportionately represented in the unsuccessful applicant group, perhaps lowering their overall achievement. And, finally, there is a policy that guarantees places to siblings of children already enrolled in Choice schools.

The studies conducted by Witte and Rouse, while not perfect, have far fewer methodological flaws than the study by Greene, Peterson, and Du. Witte's voucher recipient group is equivalent to that of Greene, Peterson, and Du and suffers from the same limitations. However, his *comparison group* is a representative sample of low-income MPS students, which allowed him to avoid charges of bias due to selective attrition. Rouse's approach of comparing successful voucher *applicants* with a random sample of MPS students may seem counterintuitive to some – after all, why would one expect a successful applicant who did not choose to enroll in a Choice school to exhibit any effect? But, under the circumstances, this represents an acceptable approach that avoids the problem of non-random attrition inherent in other analyses. Still, Rouse's method assumes that, in the absence of the voucher program, the two groups compared would have improved their scores over time at the same rate. In reality, the test scores of children with more motivated parents (i.e., the voucher applicants) are likely to improve faster than the scores of students who did not apply.

Cleveland

Program Description

The Cleveland Scholarship and Tutoring Program awarded the first vouchers to about 2,000 students in grades K-3 in fall 1996. They cover 75-90 percent of private school tuition, depending on parents' income, up to $2,250 a year. For recipients, assistance is guaranteed through the eighth grade, unless the student is no longer enrolled in a participating school. The program currently serves 3,674 students in grades K-5 (59 schools participate). Although public schools in adjacent districts can accept Cleveland voucher students, none has to date. The state legislation that created the program did not set an absolute income cap on eligibility, but the program is designed to give vouchers to the lowest-income families first. Each year, about 25 percent of the new vouchers go to students already in private schools (the law allows that proportion to rise to 50 percent).

Research Overview

Three evaluations of the Cleveland Scholarship and Tutoring Program have been conducted thus far, with new results expected in fall 2000. The three existing studies are described below:

1. Peterson, Greene, and Howell conducted an analysis of voucher students enrolled in two private schools – Hope Central Academy and Hope Ohio City Academy – both of which were formed in response to the voucher program. After one year, the 1996-97 fall to spring test score gains/losses for voucher students in grades 1-3, expressed in percentile points, were: 5.6 (reading); 12.8 (math concepts); 11.6 (total math); and –4.5 (language). Although fall to spring gain scores were not available for non-voucher students, Peterson and his colleagues note that a "similar" group of low-income students (unsuccessful voucher applicants in Milwaukee), tested in the spring of 1997, scored substantially below the Hope students.

2. In another study, Professor Tim Metcalf of Indiana University compared the test scores of third- and fourth-grade voucher recipients with those of a sample of Cleveland Public School students, factoring out the influence of second-grade test scores and observed family characteristics. He found: (1) no differences between the achievement of third-graders participating in the voucher program and those enrolled in the public schools in reading, language, mathematics, science, and social studies, but (2) higher achievement for fourth-grade students in the voucher program in science and language. When classroom variables (e.g., class size, teacher experience, and teacher level of education) were also factored out, the voucher students achieved significantly higher scores only in language. He also found that not all

schools participating in the voucher program had similar achievement results. Students attending private schools established prior to the introduction of vouchers were responsible for the achievement advantage of voucher students in science and language, while – contrary to what one might expect based on Peterson's findings – those enrolled in the newly established Hope academies actually scored *lower* than their counterparts in the public schools across all subject areas.

3. In response, Peterson, Greene, and Howell criticized Metcalf's use of second-grade test scores to control for prior achievement, arguing that these test scores were implausible because they showed students from low-income, largely single-parent families performing close to the national average in the second grade, but at substantially lower levels the following year. They reanalyzed the Metcalf data, excluding the second-grade test scores, and found that voucher students scored significantly higher in language and science, but not in other subject areas.

Peterson, Greene, and Howell's analysis of the Hope academies contributes little to our understanding of how voucher programs might affect student achievement. For changes in test scores to be meaningful, they must be compared with those for a carefully chosen comparison group. Instead, Peterson and his colleagues compared voucher students' scores with those derived from a *different test* for students enrolled in the schools of a *different city*! Moreover, Peterson examined fall to spring test score gains, a practice that was rejected years ago for Chapter I evaluations. Although a later reanalysis examined fall to fall scores, showing much smaller gains, about half of the Hope voucher students did not take the second test, again raising concerns about potential bias.

While Peterson's study is seriously flawed, his critique of Metcalf's use of second-grade test scores is less serious than he maintains. Leaving out the second-grade scores would mean that any comparison of voucher student achievement with that of public school students would take no account of differences in student performance *prior* to the program. Obviously, if voucher students represent a select, higher-achieving group, this would render any such comparison invalid. Peterson argues that the second-grade scores were inflated and, therefore, of little use, but if these scores were inflated *uniformly* for both voucher students and those who remained in the Cleveland Public Schools (because second-grade teachers "teach to the test," for example), they would still constitute a valid measure of prior achievement.

New York

Program Description

The New York City School Choice Scholarships Foundation (SCSF) was established in 1997 with $5 million of its $7 million commitment coming from the New York business community. SCSF offers tuition vouchers worth up to $1,400 to students whose family income makes them eligible for the free school lunch program. Eighty-five percent of the scholarships are reserved for public school students whose test scores are below the city-wide median. In its first year (1997-98), the program offered scholarships for up to 1,300 students and actually placed about 1,200 students in private schools. In 1998-99, an additional 1,000 students participated in the program. SCSF has made four-year commitments to the current participants and will add more students as funding permits.

Research Overview

In the spring of 1997, Peterson, Myers, and Howell began a three-year evaluation of the performance of students entering the SCSF program in 1997-98. The evaluation compares: (1) the achievement of about 750 students who used vouchers with that of 960 students whose families sought but did not receive a scholarship (ten percent of whom ultimately attended private school anyway); and (2) the achievement of 1,000 students offered a voucher, including those who did not actually make use of it, with that of the same control group of 960 students.

Peterson and his colleagues found that receiving or being offered a voucher raised performance significantly in math in second, fourth, and fifth grade, as well as in reading in fifth grade. However, the number of "statistically significant" results reported by these researchers has been inflated by the use of a statistical method that requires assuming vouchers can increase, but not decrease, student achievement. The conflicting findings reported in the literature on vouchers and public versus private schools make this assumption questionable. Without this assumption, only the results for fourth-grade math and fifth-grade reading are significant.

In discussing their first-year results, Peterson and associates argued that the magnitudes of the observed achievement effects do not differ materially from those observed in the Tennessee class-size reduction program. However, since the students in the SCSF evaluation are about 95 percent minority, it might be more appropriate to compare SCSF effects with those observed for Tennessee minority students. When this comparison is made, the positive effects of the Tennessee class-size reduction program on student achievement are much larger than those reported by the Peterson team.

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Orlando, Florida

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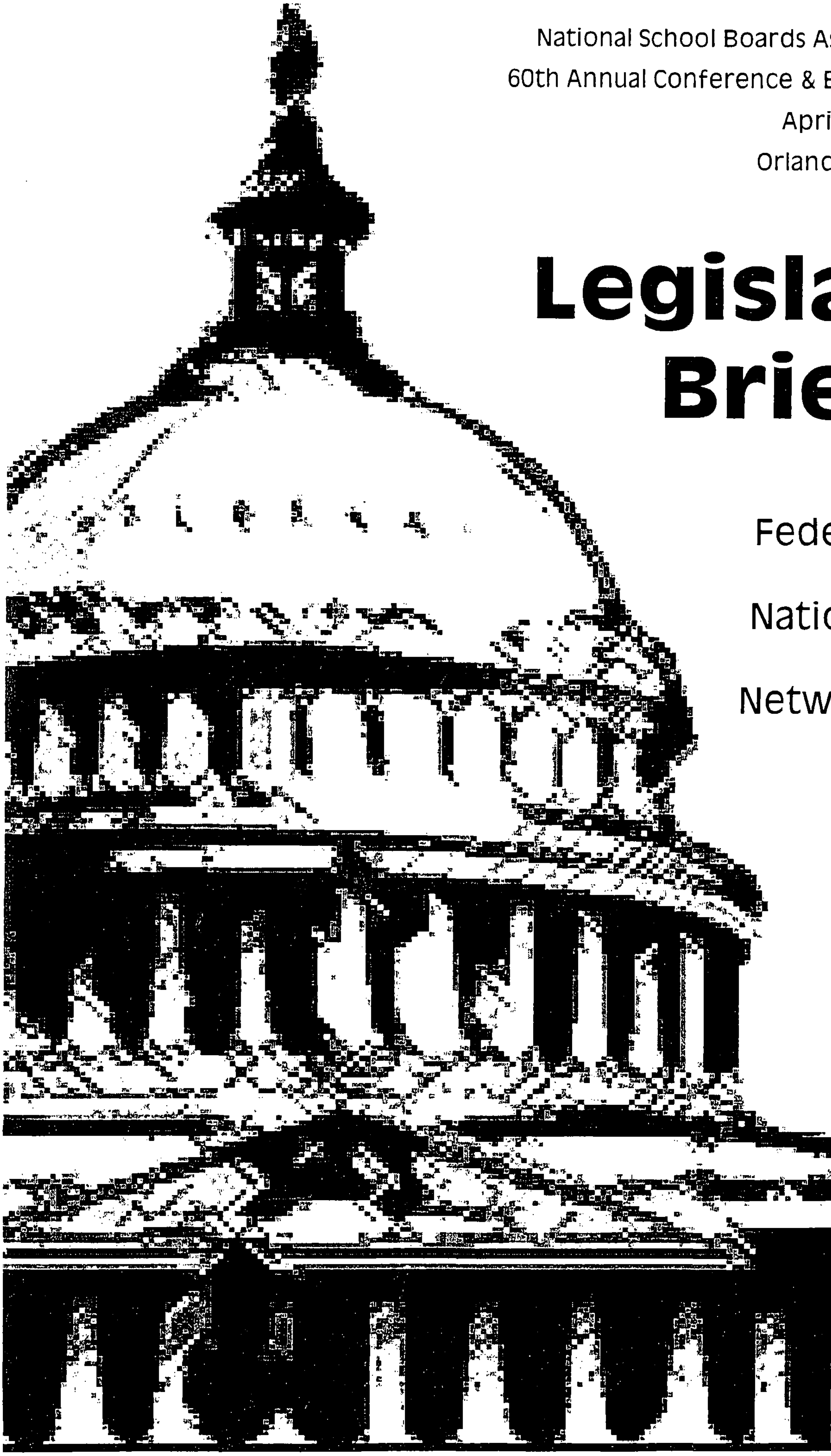

Legislative Briefing

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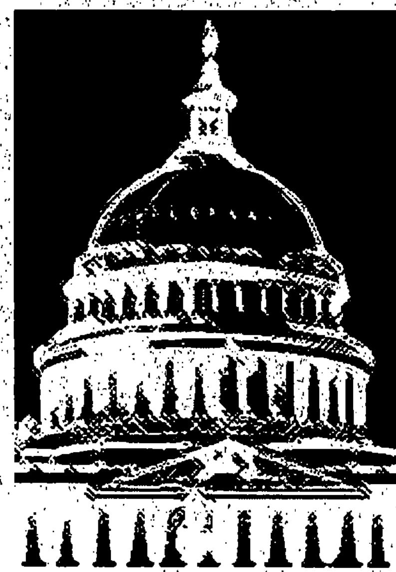

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Stage Is Set For a Nasty Gore-Bush Showdown

By Dan Balz
Washington Post Staff Writer
Sunday, March 12, 2000; Page A01

The presidential primary fights ended on schedule last week and the general election battle between Vice President Gore and Texas Gov. George W. Bush instantly began. Did anyone doubt it would be even more negative than what came before?

George W. Bush campaigns at a high school championship basketball game Saturday in Austin, Texas. Political observers expect a bitter fight between Bush and Vice President Gore. (AP)

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Presidential campaigns are supposed to be about the future. But much of Campaign 2000 will be run through a rear-view mirror, with the debate already being framed as a choice between the worst scandals of Clinton-Gore and the worst policies of Reagan-Bush-Gingrich.

If candidates Gore and Bush proved anything in their battles with Bill Bradley and John McCain, it is that they relish a fight. Backed against the wall by their opponents, Gore and Bush responded in similar fashion, doing whatever it took to win their parties' nominations.

With the nomination fights settled, all pretense of running positive campaigns has disappeared. No one, from the strategists inside the two campaigns to the analysts watching from outside, predicts anything but a nasty and often personal fight ahead.

"Bush will go after [President] Clinton and Gore on personal grounds, and Gore will go after Bush on ideological grounds," said Tom Mann of the Brookings Institution. "They'll both be done just as aggressively as can be, and both campaigns are now attuned to the notion that no charge goes unanswered. So you can imagine this escalating and being really unending."

But the coming eight months will be more than a just a personal struggle between the scions of the political establishment. What the votes can anticipate is a classic grudge match between two united parties, their core constituencies fully activated, with a war-on-all-fronts mentality for control of the White House, Congress and, likely, the Supreme Court.

As Bush and Gore sought to claim the political center, beginning with their Super Tuesday victory speeches, their allies began planning how to mobilize the parties' grass-roots armies with ideological ammunition amassed over a decade of conflict between Republicans and Democrats.

From a declaration by Jerry Falwell of his intention to mobilize 10 million new voters to organized labor's plans to begin contacting members immediately about the candidates, the Gore-Bush contest shapes up as not only the longest general election campaign in history, but also the most intense. Perhaps one of the closest, too.

"Both of these guys are very well thought of and well supported by the core elements of their party," said William Mayer, a political scientist at Northeastern University. "Both in terms of where they're located ideologically, their relationship with major interest groups and their support among party leaders and other elected officials."

It is unusual for winning candidates to emerge from hard-fought nomination fights with their parties as unified as they are this year. Bradley and McCain, for all they did to expose the weaknesses of their opponents, never cracked the core constituencies of their parties.

Bradley failed to win the support of organized labor, the African American community, most feminists and gay leaders. Even when his campaign was floundering and his personal campaign skills were in question, Gore managed to keep his party consolidated.

McCain was more successful than Bradley at exciting independent voters, whose allegiance to the two parties has been flagging over the years, and his supporters remain the prize that Bush and Gore are seeking as they write their campaign plans for the fall. But McCain failed to dent Bush's hold on Republican constituencies.

Bush is on his way to becoming the first GOP nominee in recent elections who does not have a potential rebellion or resistance to his nomination from somewhere within his party to clean up after wrapping up the nomination.

Bush's father had to worry about Patrick J. Buchanan on his right in 1992, and Robert J. Dole never had the full confidence of religious and social conservatives. This year, as Bush battled for the nomination, the Christian right, the antiabortion movement, the business community and the centrist Republican Leadership Council simultaneously protected him.

In the eyes of the Democrats, Bush paid a higher price for that party unity, having allowed himself to be defined more by his party's most conservative constituencies than Gore did by those on the left in the Democratic Party. Gore, for example, differed with organized labor over free trade. Bush has yet to define a significant difference with his core constituencies.

Gore can thank Bradley as well. Bradley challenged Gore from the left, with a big health care plan, a proposal to register all handguns and criticism of the 1996 welfare reform measure endorsed by Clinton and the vice president. "Gore's reaction," said Democratic pollster Geoff Garin, "was not to have that bigger, more expensive health care plan or to outdo Bradley on gun control."

One Gore adviser called the nomination battle "a reaffirmation of the party moving from left to center" during Clinton's presidency. "I think the Democratic Party--even its most liberal institutional forces--realizes that's where the American people are in general and that it's the way to hold onto the White House in particular."

Democrats and Republicans appear eager to challenge the other party's nominee. Where Democrats once saw Bush as a potentially "new Republican" capable of redefining his party as Clinton did in his 1992 campaign, they now believe he is a reincarnation of GOP candidates of the past, running on a big tax cut and opposition to abortion and gun control.

"The same old boogeymen of the Republican Party are back, and that's incredibly unifying," said one Democratic Party strategist. "Inside the party, there is nothing like a common enemy."

Republicans, for their part, have had little trouble warming to a contest against Gore. "We see him as more ideological and frankly more partisan than Clinton," said Tom Cole, chief of staff at the Republican National Committee. He added, "We think he's an unprincipled competitor. We saw that with Bill Bradley, and there is a pattern of that throughout his career."

As the competing coalitions measure each other for the general election ahead, each sees something to admire in the other. Republicans privately say they have nothing to match the breadth and sophistication of organized labor. Democrats acknowledge that GOP constituencies appear more energized coming out of the primaries.

The general election will constitute two simultaneous contests: Bush and Gore as candidates will be competing for the swing voters at the center of the electorate. Meanwhile, the parties will be attempting to maximize turnout among their most loyal followers.

Democrats proved their skill at mobilizing their base in 1998 with huge increases in turnout among African American voters in some southern states and get-out-the-vote strategies in states such as Iowa that helped elect a Democratic governor there for the first time in three decades.

That same approach has been one of the techniques used by Bush to win his two elections in Texas. His chief strategist, Karl Rove, is well known for mobilization efforts designed to identify and boost turnout in areas filled with what he calls "paint-me-red Republicans," by which he means reliable GOP voters.

Republicans know that, in the 1998 midterm elections, the Democrats were far more successful at this mobilization effort. "We failed in 1998," said a GOP strategist. "We expected a vote and didn't work to get the vote."

This same strategist pointed to the role of the AFL-CIO under its president, John Sweeney, saying, "We don't have anything to match it. Right now, in that regard, they clearly have an advantage."

Steve Rosenthal, the AFL-CIO's political director, said labor is "way beyond" where it was at this time in the 1996 campaign. "Our whole plan called for us to put in place a year-round program, and the primaries forced us to jump-start that effort earlier." Noting that the key to victory is how each side uses the next five months, Rosenthal said labor unions would start "right now" to define Bush for their members.

Offsetting the Democratic coalitions, say Republicans, is the fact that Bush's coalition is more energized and hungrier to win the White House. The record turnouts in many GOP primaries, they say, suggest that even with McCain on the sidelines, there is real interest in the Republican Party among voters. "I think we're more committed to winning this," said a party strategist.

The Brookings Institution's Mann said, "On grounds of intensity and mobilization, there might be a slight advantage for the Republicans. But on grounds of the loyalty of the various constituent parts, I'd say the Democrats are in better shape. The Bradley challenge did not divide Democrats. . . . But there will be the matter of keeping the energy level up."

Finally, on the Democratic side there is the unexpected problem of overconfidence. Six months ago, Democrats were worried about their candidate and saw in Bush an unusually formidable Republican candidate. Today, with Gore emerging from the primaries with fewer scars than his rival, the opposite view has taken hold.

But key Democrats say it's foolish to take Bush lightly as a candidate. "I think everybody is underestimating George W. Bush right now," said one veteran Democratic strategist. "Right now, he's in the position that Al Gore was in last October. We need to be careful that people aren't Ready to pop the champagne cork quite yet."

SPECIAL REPORT

PLENTY OF POLITICAL POSTURING, AND MAYBE EVEN A FEW LEGISLATIVE DEALS, ARE AHEAD THIS SESSION.


NEWSMAKERS/MARK WILSON

Congress Returns

■ BY RICHARD E. COHEN AND DAVID BAUMANN

Members of Congress have a dual strategy for impressing the voters back home this election year: They are laying plans for some titanic political standoffs to trumpet their partisan priorities. But they also expect to make some honest-to-goodness attempts at deal-making that could produce tangible results on a handful of incremental legislative proposals.

To be sure, lawmakers face many of the same impediments to enacting significant legislation this year that they did last year. The Republicans are still hindered by their negligible House and Senate majorities, their internal divisions, and their inability to get along with a Democratic President. The Democrats feel their hands are tied by their minority status. Still, members of Congress seem eager to give legislating a chance during 2000, not because they relish the prospect of knocking their heads against a brick wall, but because they see an opportunity for big gains for their parties—and, in many cases, for themselves—in November's presidential and congressional sweepstakes.

Both Democrats and Republicans contend they have a "two-fer." If they pass their proposals, they can score some modest policy goals and take credit with their constituents. If they fail, they have election issues to use against the other party.

A year ago, Republicans were reeling from the shake-up among their House leaders and from the bitter impeachment debate. Moreover, they faced a bare legislative cupboard that frequently left them struggling on the turf of the Democrats,

NEWSMAKERS/RON SACHS

PLOTTING THEIR STRATEGY: Republicans and Democrats huddled privately in early January and then detailed their election-year agendas.

who seemed more unified than ever. Now the Republicans are seeking a return to business-as-usual in which they can churn out bills with the hope of actually enacting some.

"Our plan is to spend this year talking about issues," John P. Feehery, spokesman for House Speaker J. Dennis Hastert, R-Ill., said in a recent interview. "We plan on getting things done and staying on offense all year."

This can-do attitude seems to pervade the GOP ranks, where there is some sensitivity about the paltry legislative accomplishments of 1999. "Getting [done] what we can would be a very good thing," said Rep. David Dreier, R-Calif., whose position as House Rules Committee chairman gives him considerable influence. "Having more accomplishments helps us in the election."

Republicans know they can take nothing for granted—least of all their continuing control of Congress. This is especially true in the House, where the Republicans' five-seat majority is at great risk because they have had 22 members announce they'll retire compared with the Democrats' 6. But GOP hopes have been lifted by recent public opinion polls that show improved ratings for Congress and a nearly even balance between the two parties in the generic congressional ballot test. And Republicans welcome a campaign season that is not attuned to the varied soap operas of Newt Gingrich and Monica Lewinsky. "We have our own agenda this time, and we know what we want," said Rep. Pete Hoekstra, R-Mich.

If optimism is high among Republicans, it's positively soaring among the Democrats. Many are convinced they can achieve their paramount goal of regaining the House majority in November. Democratic leaders say these feelings have been fueled by their party's favorable candidate recruitment and fund raising.

"We really believe we're going to gain control of the House after this election," Rep. Martin Frost of Texas, the House Democratic Caucus chairman, said in a recent interview. And Frost said that privately, House Republicans believe it, too: "They sense that their days in the majority are numbered." Among Senate Democrats, on the other hand, the prospects are not so rosy. "I don't see anybody believing with any great fervor that we're poised to retake the Senate," conceded a key Senate Democratic aide.

As they make their electoral plans, Democrats are setting their legislative expectations low. They insist that Republicans, as the majority party, control how much will be accomplished. "We have things we'd like to get done, but I'm not confident that Republicans are going to work with us," Frost said.

Members of both parties are eager for their presidential nominees to come to the forefront so they can campaign as a team on the issues. Most lawmakers expect that Texas Republican Gov. George W. Bush and Vice President Al Gore will be their respective parties' nominees. Republicans are already embracing Bush's message of "compassionate conservatism," if not all the features of his campaign. With his front-runner status, he may be well positioned to influence the congressional GOP plans, although he has so far kept his distance from Washington and its key players. Yet members of Congress are still well aware that they cannot count on riding the coattails of their presidential standard-bearers and must protect their own interests.

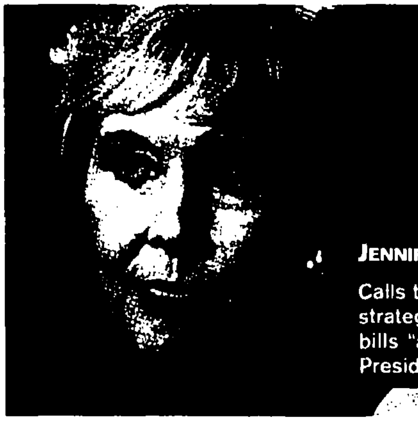
THE REPUBLICANS

As Congress prepares to reconvene on Jan. 24, proponents of a wide array of proposals are hoping for consideration of their bills this year. But the likeliest prospect is that tax-and-spend issues will predominate in 2000, as they often do when no national crisis occurs. And Congress's abbreviated election-year calendar leaves even less time than usual to advance legislation other than the must-pass appropriations bills. *(For a series of stories that examine the key issues on Congress's plate this year, see pp. 230-249.)*

House Republicans set the tone in early January when they held brief planning sessions on Capitol Hill and then unveiled an agenda that House Majority Leader Dick Armey, R-Texas, said focuses on "the three T's"—"tax relief for all the American people, trade to open up opportunities even larger than we now know, and technology that will create new wonders." The Republicans displayed a newfound enthusiasm about their agenda and a confidence that they are in far better shape than when they convened at the start of 1999.

This time last year, following the unexpected resignations in late 1998 of Speaker Gingrich of Georgia and his designated successor, Bob Livingston of Louisiana, the Republicans faced major obstacles in exercising legislative control. The largely unknown and untested Hastert clearly had his hands full when he took charge in January 1999.

During the spring, the Republicans' problems grew. Ignoring the advice of some budgetary experts in their own ranks, GOP leaders decided to retain the strict and unrealistic spending "caps" that had been enacted as part of the budget deal with President Clinton two years earlier but had become largely irrelevant because the budget was balanced sooner than expected. NATO's military campaign in Kosovo revealed further splits within the GOP, as well as the party's extreme mistrust of Clinton. And then Republicans were put on the defensive by the calls of some Democrats for stricter gun control laws following the shootings in April at Columbine High School in Littleton, Colo.



RICHARD A. BLOOM

JENNIFER DUNN: Calls the House Republicans' strategy to pass multiple tax bills "an end run around the President's opposition."

The GOP-controlled Congress this year will continue to confront some of those same challenges and other leftovers from the Democrats' agenda, such as patients' rights legislation. But new issues have developed in recent months that hearten many Republicans and may divide Democrats. For instance, the Clinton Administration's agreement to admit China into the World Trade Organization has sharply split Democrats because of the staunch opposition of their labor and environmental allies. Yet the China trade issue permits Republicans to reach out to important business constituencies that would benefit from the deal.

Republicans are also heartened by recent shifts in the political dynamics. Their rhetorical commitment, as part of last fall's budget debate, to "save" Social Security by declaring its surpluses off-limits has been well received and has taken them off the defensive on budgetary issues. And Bush's continued popularity has reduced the spotlight on Congress.

Probably the most significant change in the Republicans' strategy has been the decision to replace last year's $800 billion package of deep tax cuts with several smaller and more-targeted measures. According to Hastert, House Republicans will consider three separate tax bills early this session: marriage-penalty relief, which is expected on the House floor in February; education savings accounts, chiefly for the parents of religious-school students; and community-renewal legislation to aid low-income neighborhoods. Additional tax-cut measures are likely later in the year, according to the Speaker. They may include pension-plan incentives, estate-tax relief that Republicans target to farmers, and a more-sweeping tax cut of the type that Bush has proposed and Clinton vetoed last year.

GOP strategists hope for sizable Democratic support for some of these tax proposals. But they believe Republicans will score political points even if Democrats oppose them. "Republicans are the tax-cutting party," said Feehery. "The more we talk about tax cuts, the better off we are."

Hoekstra, who helped craft the GOP themes, said that Republicans are looking for tax measures that provide "a real message opportunity." He conceded that "the person back home on the street can't comprehend the $800 billion cut"

A HISTORY OF ELECTION-YEAR LAWMAKING

"It's more difficult to pass legislation in an election year."

For politicians and journalists alike, this has long been one of the most common bits of conventional wisdom about Congress. Like most sweeping generalizations, however, it's often wrong. In fact, a review of the past two decades shows that presidential election years have been among the most productive periods for legislative deal-making, including the bipartisan kind.

White House and congressional insiders would do well to keep in mind a less frequently cited corollary to the election-year shibboleth, one that stands up better to scrutiny: Incumbents in both parties usually benefit at the ballot box when they have produced legislatively, and they suffer when they have deadlocked in campaign years.

In some cases, of course, the election results have also been influenced by economic and foreign policy events over which politicians have little control. Consider the following summary of the context and results of the most recent presidential elections:

1996

Following the collapse of the negotiations in 1995 to balance the federal budget and the infamous government shutdown that extended into the new year, President Clinton and the Republican-controlled Congress had a remarkably productive session. During a summer of wheeling and dealing, they agreed upon legislation to increase the minimum wage, guarantee health insurance coverage for workers, and—after two vetoes—reform the nation's welfare system. In addition, the year's accomplishments included sweeping telecommunications reform and the Freedom to Farm legislation. In November, most incumbents fared notably well. The biggest loser: GOP presidential nominee Bob Dole, who stepped down as Senate Majority Leader that spring to focus on his campaign.

1992

President Bush and the Democratic-controlled Congress accomplished that Republicans approved last year. The large package also enabled Clinton and the Democrats to attack the size of the cuts, rather than the details.

Rep. Rob Portman, R-Ohio, a member of the tax-writing Ways and Means Committee, conceded that Republicans were not effective in selling their tax cut proposals last year. "There is a sense among Republicans that we need to be more aggressive," he said. "We need to more clearly define who we are, and communicate that to the American people. . . . There was a consensus that we didn't do a good enough job last year in addressing tax issues." Rep. Jennifer Dunn of Washington, another Ways and Means Republican, called the new strategy "an end run around the President's opposition."

In the Senate, however, the Republicans' new strategy of multiple tax bills faces problems because Senate and budget procedures generally have permitted the Senate to restrict floor debate on only one tax bill in any given year. Dunn noted that Ways and Means Chairman Bill Archer, R-Texas, "has not wanted to do stand-alone tax bills because of the Senate's rules." Archer did not participate in the early-January leadership meetings at which the new tax bill strategy was crafted, but Hastert discussed the issue with him separately. "There is an election this year," said Trent Duffy, Archer's spokesman. "The leadership wants accomplishments and tax relief. So does Archer."

Hastert discussed the House GOP tax cut plans in advance with Senate Majority Leader Trent Lott, R-Miss., but Lott and other Senate Republicans have had little public comment. Senate GOP sources have voiced doubts about the strategy of taking up several tax bills this year. Ways can be found around the procedural obstacles in the Senate, but key Senate Republican players have not yet consented. Still, even if the tax legislation dies in the Senate, Republicans "at least will show what we are for," as Dunn put it.

Hastert has launched another fiscal initiative intended to score some political points. In a Jan. 19 speech, he directed House Budget Committee Chairman John R. Kasich, R-Ohio, to prepare a plan for paying off the public debt; Hastert said his preference is to see it done in 15 years. The goal is to highlight the progress Republicans have made since 1995 in eliminating the budget deficit and creating the presumption of surplus, even without counting Social Security revenues. Hastert and other Republicans also hope that shifting the focus to a "debt-free America" will allow them to escape a repeat of last year's tortuous debate on the spending caps.

On the second plank of the Republicans' 2000 agenda—increased trade, and votes that would clear the way for China's accession to the WTO—GOP lawmakers have a number of considerations. Although most Republicans are avid free-traders, they have their own splits on the issue, despite the popularity of the China deal among business leaders. And some GOP lawmakers may prefer to use the China issue to spotlight Democratic divisions and Clinton's China policy.

In any event, Republicans will insist that the President get out front in selling the agreement to the public. "I've told the President directly that we will need strong presidential leadership," said Dreier, a key supporter of the deal. "But I don't know how the President will respond to the Gore [candidacy]," which may suffer from tensions in the Democratic Party exacerbated by the trade debate.

Although Clinton Administration officials and some other proponents of the China deal are eager for Congress to act as soon as possible, to limit the impact of presidential politics, Republicans predict that a vote before June is unlikely. The spokesman for Archer said that the chairman, who has applauded the deal, wants to have the details of China's prospective WTO agreements with other nations before the House votes. Most observers agree that Senate approval of the China trade deal is a foregone conclusion.

virtually nothing during this session, which was dominated by bitter partisanship and the scandals at the House bank and post office. On issues such as taxes, health care, and crime, stalemate was the order of the day. Bush's soaring popularity after the 1991 Persian Gulf War eventually plummeted, thanks to the recession, and he was the biggest casualty on Election Day. But House Democrats also lost ground in a campaign in which Bill Clinton was elected President by running against Washington.

1988

After extended budget negotiations and stalemate in 1987, lame-duck President Reagan and the Democratic Congress had a highly successful final session. Their record included welfare reform to punish deadbeat dads, trade legislation that set the stage for major international deals in subsequent years, and Medicare expansion to cover the costs of catastrophic illnesses. (The last of these was repealed in 1989, following a grass-roots revolt.) The election was a victory for the status quo, with Vice President George Bush benefiting from Reagan's continuing popularity and Democrats making narrow gains in Congress.

1984

A relatively uneventful year produced agreement between Reagan and the politically divided Congress on issues such as cable television, wilderness restrictions, and tobacco controls, but deadlock on immigration, civil rights, and aid to Central America. With his "morning in America" re-election campaign, Reagan won 49 of 50 states, but Republicans scored smaller gains than they expected in Congress.

1980

The year was marked by the failure of President Carter and the Democratic Congress to reach agreement on budget, health, and welfare legislation. Hanging over the November campaign were double-digit inflation and interest rates, plus the yearlong saga of 52 Americans held hostage in Iran. The result was the most turbulent presidential election shakeup since 1932, when the nation was in the throes of the Depression. Ronald Reagan swept Carter from office, and Republicans made huge gains in Congress, though Democrats narrowly kept control of the House. During a post-election session in November, Congress approved Alaska lands legislation and the Superfund environmental cleanup law. —R.E.C.

Meanwhile, on technology, their third area of concentration, Republicans have a hefty "to do" list. Rep. Christopher Cox of California, the House Republican Policy Committee chairman, outlined for reporters several proposals in what he termed the "e-agenda." They include: "digital signature" legislation to expedite the legal use of computer documents, privacy protections, steps to encourage telecommuting, and encryption rules to protect the security of computer communications.

The most optimistic Republicans concede that their legislative plans face major hurdles, even under the best of circumstances. Their skills at legislative management remain suspect, and they face the political challenges of a year in which the White House, House, and Senate are up for grabs.

THE DEMOCRATS

House and Senate Democratic leaders and Clinton had their own meetings earlier this month to lay out their election-year agenda. In Clinton's words, they again will push for funds for school construction, as well as "a strong enforceable Patients' Bill of Rights, sensible gun-safety legislation, the Hate Crimes Prevention Act, strengthening Social Security, modernizing Medicare with a voluntary prescription drug benefit and strengthening it, and raising the minimum wage."

Democrats believe that one of their keys to regaining the majority is to provide voters with a definitive agenda. "The Democratic agenda is very clear," said a House Democratic leadership aide. "It's stuff that so many of our people ran on in the '98 campaign. The Republican leadership blocked that, and I assume they will continue to."

House Democratic leaders acknowledge that they must keep their Caucus united behind their agenda, something they have not always succeeded in doing. House Minority Leader Richard A. Gephardt, D-Mo., is trying to guard against problems by keeping the lines of communication open between Democratic members. "We're talking to each other across the board," said Frost.

By and large, Democrats believe that not much will be accomplished legislatively in 2000. "People are going to try, but I'm not sure that anything's going to get enacted this year," said the key Senate Democratic aide. The exception, he said, might be minimum-wage legislation because a significant faction of House Republicans who favor increasing the hourly wage might push GOP leaders to cut a deal.

Democrats foresee other issues falling prey to divisions between pragmatic, moderate Republicans and those who take a harder line. For instance, the Senate aide predicted that conservative Republicans might stymie legislation to reauthorize the Elementary and Secondary Education Act, by attempting to use the bill as an opportunity to address hot-button social issues, such as prayer in the public schools. Added Rep. David R. Obey of Wisconsin, the senior Democrat on the House Appropriations Committee: "Whether you have anything happen here or not depends on whether they [Republicans] can resolve their split personality. On Tuesdays, they'll talk about cooperation, and on Wednesdays and Thursdays, they'll bring up bills that are nothing but press releases."

The House Democratic leadership aide was even blunter: "This Republican leadership is putting peace in their own conference above everything else. It could be smart politically, but it is not conducive to policy-making."

At the same time, Democrats take offense at the suggestion that their party will block anything from passing this year just so they can clobber the Republicans for running a "do nothing" Congress. "That's the same sorry line [Republicans] pushed last year," Obey said. "It would be funny if it weren't so silly. They run the place. How constructive this session is depends on whether they want to work with us or not."

Still, some Democrats privately concede that the public might be resentful if congressional Democrats appear to be engaged in outright legislative foot-dragging. "We have to convince the public that we can be responsible and govern," said the House aide, who said that voters will ask, "Are Democrats responsible enough for us to hand the keys back to them?"

Democrats confess that they are wary about Clinton's role this year. Some fear that the President might spend his last year in office negotiating deals with Republicans in an attempt to fatten his portfolio of legislative accomplishments. "That concern has always been more prevalent in the House but, sure, there's always that concern," said the Senate Democratic aide.

Others say that Clinton does not want to leave behind a long list of *Republican*-inspired legislation; this camp cites the early-January meeting between the President and Democratic leaders as evidence that the two sides intend to work closely together. "He's going to want a legacy, but he wants it on his terms," said the House Democratic aide. "I don't think he's going to want to cut deals that will undermine his vision."

Republicans, for their part, contend that they will give sufficient attention to the Democrats' agenda—although it will be on the GOP's timetable and perhaps on its policy terms. On the patients' rights measure, Republicans say they expect to settle on a middle ground between the House-passed version, which provides patients a broad right to sue their health maintenance organizations, and the Senate-passed version, which has no such language. They are exploring a limited-liability proposal advocated by GOP Reps. Tom Coburn of Oklahoma and John Shadegg of Arizona, which the House rejected but which is comparable to the policy approved in Texas by Bush. "We want to get an HMO bill done," said Dreier, who is a leading House backer of Bush's candidacy. While Republican leaders have been preaching unity on HMOs, however, their own party factions are showing no signs of compromise.

In addition, Republicans expect to present to the House early this year minimum-wage increase legislation combined with a package of tax breaks for small businesses. "We are within 10 votes" of a majority, said Portman, who has worked on the tax piece of the package. "We need to appeal to moderate and conservative Democrats."

On other pieces of the Democratic agenda, however, final action is less likely. Prospects appear dim for agreement on gun-control legislation in a House-Senate conference committee. A Senate GOP filibuster deep-sixed the House-passed version of campaign-finance reform last fall. And even the most cockeyed optimists do not expect bipartisan agreement on the huge issues of Social Security and Medicare reform, something that both sides considered possible a year ago.

Clearly, this year's biggest challenge may not be finding issues to fill the time, but rather making effective use of the brief period in which Congress can claim attention on the national stage. Decisions made in the next few weeks will set in place not only the legislative scenarios, but also how congressional players fit into the election drama. ■

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PARTY DIVISIONS MAY DEEPEN OVER SCHOOL REFORM

CONGRESSIONAL Preview EDUCATION

The philosophical tug-of-war over the federal role in school reform will probably intensify during this election year, with bills to overhaul aid programs for elementary and secondary schools dominating the congressional education agenda and President Clinton touting school construction and other hot-button budget issues.

Legislation to reauthorize the Elementary and Secondary Education Act will be the major battleground. Republicans favor block grants and more local control over federal funds, while Democrats are fiercely protective of programs targeting aid to the neediest students. "This bill will attract a lot of emotion," said Joe Karpinski, spokesman for the Senate Health, Education, Labor, and Pensions Committee.

The Senate panel plans to take up the ESEA legislation early this session. Chairman James M. Jeffords, R-Vt., circulated a draft outline of the bill in December, and Karpinski said that members are seeking common ground on several matters before the panel deliberates in a formal meeting.

Bipartisanship will be a crucial goal as Senators craft the complex legislation, as it was when the House drew up and passed its bill (H.R. 2) to renew a major section of ESEA known as Title I. Title I is the nation's largest federal program for disadvantaged students in kindergarten through 12th grade.

The Title I reauthorization was one of several ESEA-related bills that the House approved in October. House education leaders plan to spend much of this year addressing the law's remaining provisions, including family literacy and school technology initiatives.

Although bipartisanship helped form the House's Title I bill, it failed to shield it from partisan fights over divisive amendments. Those battles will probably re-emerge as the Senate considers its version, which is expected to address Title I and all other ESEA sections in one bill. For example, "we will see vouchers again this year," predicted Jim Manley, spokesman for Sen. Edward Kennedy of Massachusetts, the ranking Democrat on the HELP Committee.

During last year's House debates on the Title I bill, Republicans offered amendments allowing states to use federal money for vouchers to help poor families afford private school. Yet many of their GOP colleagues—citing the need for bipartisanship, as well as the likelihood that vouchers would draw a presidential veto—joined Democrats in rejecting those riders. Clinton and most Democrats contend that vouchers would drain vital resources from public schools while helping only a few students transfer to private schools.

GOP leaders have not touted vouchers as a high priority lately, but they will probably find other ways to promote "school choice." House Speaker J. Dennis Hastert, R-Ill., announced this month that House Republicans will revive their push for tax-free education savings accounts to help families pay for school expenses or tuition.

But this year's loudest GOP battle cry will be for more block grants to give states more discretion in how they spend federal education dollars. The House moved in that direction late last year, when it approved the Straight A's bill (H.R. 2300), a five-year demonstration program allowing states to receive their federal K-12 school money without strings to any of the traditional regulations or programs.

Senate leaders are undecided whether to include a Straight A's provision in their ESEA bill, but the Clinton Administration has threatened a veto because Straight A's would not require states to funnel federal money to the neediest students.

The Administration has also threatened to veto a GOP-favored teacher quality bill (H.R. 1995), because it fails to guarantee funds for Clinton's initiative to help states hire 100,000 teachers over seven years. More than 30,000 teachers have been hired over the past two years as part of that program, which received $1.3 billion in fiscal 2000.

Clinton plans to request $1.3 billion in fiscal 2001 for a new program to provide grants and interest-free loans to help needy communities repair dilapidated school buildings. The President will also propose spending $3.7 billion over five years on tax-credit bonds to help schools finance construction projects.

In that vein, House Ways and Means Committee Chairman Bill Archer, R-Texas, declared school construction a top priority in a "future tax relief package." Archer noted that last year's tax relief package, which Clinton vetoed, included a $1.4 billion bond initiative for school construction.—**Molly M. Peterson**

AT A GLANCE

ELEMENTARY, SECONDARY SCHOOL AID

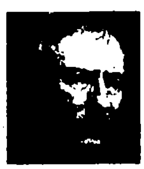
THE ISSUE: Bills to reauthorize elementary and secondary school programs will fuel election-year clashes over the federal role in education.

KEY PLAYERS:

RICHARD A. BLOOM

< *Rep. William F. Goodling,* R-Pa., chairman of the House Education and the Workforce Committee

> *Sen. James M. Jeffords,* R-Vt., chairman of the Senate Health, Education, Labor, and Pensions Committee



RICHARD A. BLOOM

RECENT ACTION: The House passed a bipartisan bill last year reauthorizing Title I of the Elementary and Secondary Education Act, along with two GOP-favored bills to improve teacher quality and increase local control over federal school funds.

WHAT TO WATCH: As the ESEA reauthorization dominates the congressional education agenda, President Clinton will tout an initiative to help repair dilapidated schools.

So Many Close Races, So Little Attention

By Charlie Cook

So much attention has focused on the fascinating presidential contests in both parties, the fight for control of the House, and the Hillary Rodham Clinton-Rudolph W. Giuliani Senate fight in New York that the 15 or so Senate races that are either highly or potentially competitive have gotten short shrift.

Although it is not unprecedented to have so many Senate seats in play, it is unusual for them to receive so little notice.

The early betting is that Democrats will gain one to three seats, short of the five needed to win control of the Senate if they retain the White House, or the six needed if their presidential candidate loses.

Republicans have six seats they're in danger of losing, while Democrats have five. Another four GOP seats could easily become competitive, and several other seats could pose problems for Republicans as the election cycle progresses.

Heading the list of vulnerable Republican seats is Florida, where GOP Sen. Connie Mack is retiring. Although polls give state Education Commissioner Tom Gallagher a lead over Rep. Bill McCollum for the GOP nod, the conventional wisdom is that McCollum will prevail in the Sept. 5 primary. Gallagher begins the race with higher name recognition, owing to his five bids for statewide office, but McCollum is better-funded and much more conservative, making him more attractive to the party's base of primary voters. The Democratic Party gave unified support early on to state Insurance Commissioner Bill Nelson. A former six-term U.S. Representative, Nelson is best known for having been aboard the last NASA shuttle flight before the tragic *Challenger* disaster. A close general election is very likely, but most analysts give Democrats an edge in picking up this seat.

The two Republican incumbents thought to be in the greatest danger of losing are Michigan's Spencer Abraham and Delaware's William V. Roth Jr. Polls show two-term Democratic Rep. Deborah Ann Stabenow running even with Abraham in a contest that has Michigan Republicans nervous about their incumbent, a former state party chairman who is very popular within the ranks of party activists. Although polls indicate that Roth is trailing Democratic Gov. Thomas R. Carper, it would be a mistake to write off the 78-year-old incumbent. Over the years, Democrats have targeted Roth and recruited several high-profile challengers, only to be disappointed. In 1976, Democrats ran popular Wilmington Mayor Thomas Maloney, but Roth prevailed, 56 percent to 44 percent. In 1988, Democrats had high hopes for Lt. Gov. S.B. Woo, but Woo got beaten, 62 percent to 38 percent. And in 1994, then-Attorney General Charles M. Oberly III was given an excellent chance to beat Roth, only to be defeated, 56 percent to 42 percent.

The next most-endangered GOP incumbents are three freshmen: John Ashcroft of Missouri, Rod Grams of Minnesota, and Lincoln D. Chafee of Rhode Island, who was appointed in November after the death of his father, John H. Chafee. Ashcroft, who served as state auditor, state attorney general, and Governor, would be a shoo-in under normal circumstances. But the Democrats nominated the one person who could give him a tough race—Gov. Mel Carnahan. After a fast and furious start, the race showed signs of becoming one of the ugliest Senate contests in recent history. But both sides apparently found the pace a bit disconcerting, prompting a temporary cease-fire. Polls differ as to whether Ashcroft has a small lead or a big one, but there's little doubt that this race will be among the most competitive in the country.

In some ways, Grams is the antithesis of Ashcroft. Grams is not vulnerable because of any specific challenger, but because he is solidly conservative in a fairly moderate-to-liberal state. Just as important, he won election to the Senate in a great year for Republicans nationally (1994) by beating an unimpressive Democrat, and the local press has made a sport of attempting to diminish him, with at least some success. The leadership of Grams' own party didn't help when it recently pulled the rug out from under him on an important dairy bill, buttressing Democratic claims that he has little clout. The Democratic field is a hodge-podge of challengers from the far left to the center. At this point, it's anyone's guess as to who will win the nomination. The betting is heavy that Grams has a tough race ahead of him, regardless of which Democrat runs against him.

In Rhode Island, two former lieutenant governors are waging an intense fight for the Democratic nomination. And it's likely that a viable independent candidate will also run, making this race among the most interesting of the cycle. Two-term Rep. Robert A. Weygand is campaigning as a moderate, anti-abortion Democrat, while Richard A. Licht, the 1988 Democratic nominee against John H. Chafee, is pulling together the more liberal wing of the party, particularly abortion-rights and environmental activists. Rep. Patrick J. Kennedy is officially neutral, but insiders say that he is quietly helping Licht. Organized labor is also on the sidelines, but there are signs it is edging toward Licht as well. Chafee has yet to make any major mistakes, which is about all one can ask of a newly appointed Senator. But some Republicans worry that he's a bit too shy for this line of work.

The next tier of Republican Senators all have solid leads in the polls, but could see their races tighten. In Montana, two-term Sen. Conrad Burns is facing a challenge from Brian Schweitzer, a rancher and political neophyte who has taken to politics as fast as any novice candidate in recent memory.

In Washington state, Slade Gorton's Democratic opposition will be either moderate former Rep. Maria Cantwell or crusading populist state Insurance Commissioner Deborah Senn, who is considered almost an anti-Christ by the insurance industry. Elected in 1992 and swept out of office in the 1994 Republican landslide, Cantwell went to work in the computer industry and made a fortune, which she can use to jump-start her Senate effort. Although Cantwell could more plausibly lay claim to swing voters than Senn could, Senn is more likely to invigorate the Democratic base.

Vermont's James M. Jeffords dodged a bullet when independent Rep. Bernard Sanders decided against a Senate bid, but he still has two Democrats vying to oppose him, and either one could present a problem. In 1994, a banner year for Republicans, Jeffords' 50 percent showing against state Sen. Jan Backus, an unknown, underfunded Democrat, suggests real vulnerability. Backus is running again, as is state Auditor Edward S. Flanagan. Polls indicate that Jeffords is in reasonably good shape, but his unimpressive showing six years ago suggests that this race warrants close watching.

Rounding out the list of vulnerable Republicans is Pennsylvania's Rick Santorum. Early lists of endangered Republicans ranked Santorum as a top target, but a convoluted Democratic field and Santorum's efforts to reposition himself toward the middle have improved his prospects. State Sen. Allyson Y. Schwartz got a break when former Rep. Marjorie Margolies-Mezvinsky dropped out of the race, leaving Schwartz as the only woman in the Democratic field. Former state Labor Secretary Tom Foley, Rep. Ron Klink, and former state Sen. Robert Rovner, a wealthy trial lawyer, are all trying to break through as well. If Rovner decides to make good on a promise to write "the big check," he could conceivably buy the nomination. Schwartz has raised money at an impressive pace, though many Democrats worry that she is too liberal to win a general election. Klink got off to an impressive start, but his campaign has since become uneven, although he retains the advantage of being the only Democrat from the western part of the state. Foley gets strong support from many in-state labor leaders, but union leaders in Washington are either sitting it out or siding with Klink. If the situation sounds confusing, it is.

On the Democratic side, the most endangered seat is in Nevada, where incumbent Richard H. Bryan is stepping down. The Republican nomination has been all but nailed down by former Rep. John Ensign, who came within 428 votes of unseating Sen. Harry Reid in 1998. Democrats appear set on nominating Ed Bernstein, a wealthy trial lawyer with surprisingly high name recognition as a result of television advertising promoting

ROD GRAMS

GRAMS IS VULNERABLE BECAUSE MINNESOTA IS MODERATE-TO-LIBERAL AND HE'S CONSERVATIVE.

RICK SANTORUM

SANTORUM IS HELPED BY THE LARGE NUMBER OF DEMOCRATS VYING TO RUN AGAINST HIM.

HILLARY RODHAM CLINTON

IF STRAY DEMOCRATS COME HOME, CLINTON WILL NARROW THE GAP AGAINST GIULIANI.

JON CORZINE

CORZINE'S WEALTH COULD THWART FLORIO IN HIS BID TO RETURN TO POWER IN NEW JERSEY.

his law practice; however, his negative ratings are also high. Bernstein is active in civic and community affairs, giving him an immediate fund-raising list. But he's still considered a long shot.

The second most vulnerable Democratic seat is in New York, where incumbent Daniel Patrick Moynihan is retiring. Polls show New York City Mayor Rudolph W. Giuliani running 4 to 9 percentage points ahead of first lady Hillary Rodham Clinton. Clinton led Giuliani in polls a year ago, in the aftermath of President Clinton's impeachment. Since then, she has consistently trailed Giuliani, although rarely by wide margins. Surveys by veteran New York pollster John Zogby indicate that she gets only two-thirds of the Democratic vote, while Giuliani pulls three-quarters of the GOP vote. Clinton leads among women by about 6 percentage points, while Giuliani runs ahead among men by three times that amount. Clinton carries union households by only about 4 percentage points and is running even among Jews, who usually cast about 70 percent of their votes for Democrats. In short, she doesn't do well among key Democratic constituency groups and also comes up short among independents and suburban voters.

If some of these Democrats "come home," as partisans often do in such cases, Clinton could pull even or slightly ahead. In other words, New York is such a Democratic state that it's folly to rule out Clinton. Giuliani remains the favorite, but this race could easily get tighter.

Sen. Charles S. Robb of Virginia occupies the third most-vulnerable Democratic Senate seat this year. Polls show him anywhere from 1 to 11 points behind former Republican Gov. George F. Allen. Early polls had put Allen well ahead, but more recent surveys suggest that the race has become considerably tighter. The two candidates have scarcely exchanged words; instead, Allen has been quietly building a rather substantial fund-raising advantage, and Democrats are starting to wonder whether Robb will dip into his own personal financial resources if that's what it takes to remain competitive.

When Sen. Bob Kerrey announced his decision to retire from the Senate, most people assumed that his seat in traditionally Republican Nebraska would revert to type. Although that could still occur, Democrats appear likely to field popular former Gov. Ben Nelson, while Republicans are moving toward a hotly contested primary on May 9, with four names on the ballot: state Attorney General Don Stenberg, Secretary of State Scott Moore, businessman George Grogan, and physician Elliott Rustad. It's true that Nebraska strongly tilts Republican, but Nelson left office with high job ratings. He lost a 1996 Senate race to Republican Chuck Hagel, but Hagel was a better campaigner. It remains to be seen whether Republicans have another Hagel, but for now the GOP field looks hardly awe-inspiring.

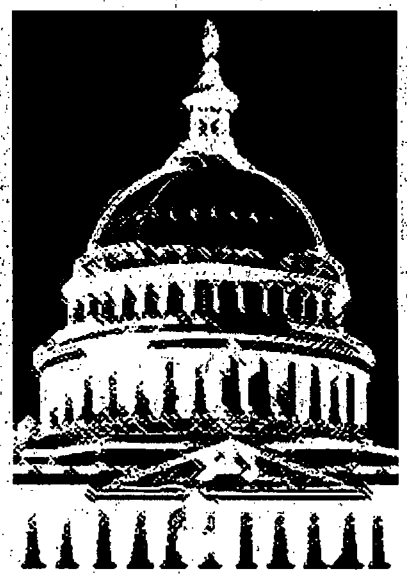
The New Jersey fight to replace retiring three-term Democrat Frank R. Lautenberg is a picture of confusion. On the Democratic side, former Democratic Gov. Jim Florio is valiantly, but perhaps unsuccessfully, fending off a challenge for the nomination from former Goldman Sachs CEO Jon S. Corzine. Corzine is spending money at a breathtaking pace, pouring money into the county party organizations, which are extremely important in determining ballot position for the June 6 primary. It's not over yet, but things don't look good for Florio. On the Republican side, Rep. Bob Franks and state Sen. William L. Gormley are the front-runners for the nomination. As a former state party chairman, Franks has an organizational advantage, but Gormley has raised considerably more money, making the situation very fluid.

New Mexico's Jeff Bingaman and California's Dianne Feinstein are not in tight races now, but one or both could face close contests. Bingaman is likely to face a challenge from former Rep. Bill Redmond, while Feinstein will take on the winner of a five-way Republican primary, in which the best-known contender is Rep. Tom Campbell. ■

Jennifer Duffy contributed to this article.

CLOAK ROOM www.cloakroom.com *Additional analysis by Charlie Cook appears each Tuesday on* National Journal's *Cloakroom, and is available to all subscribers.*

Federal Investment in Education



ISSUE BRIEF

·NSBA·

An Investment for Student Achievement

★ The Issue

The federal government can and must do more to support public education. Providing high-quality schools to ensure an educated and productive populace where everyone has the opportunity to excel is the cornerstone of democracy. Presently, our public schools face many challenges—record enrollments, more children in poverty, teacher shortages, and the need to provide modern, technology-equipped schools. At the same time, our schools are striving to institute innovative programs to ensure that all students achieve high standards to succeed in the 21st century. Meeting these challenges demand a true federal, state, and local partnership—and a strong federal investment in our public schools. While increases in federal funding for education over the past few years have been laudatory, they come on the heels of several years of record federal funding cuts.

★ Current Status

President Clinton's FY 2001 budget proposes $40.1 billion in discretionary spending for the U.S. Department of Education. This is an increase of $4.5 billion over FY 2000. Among the more significant proposed increases is funding for Title I, an increase of $416 million ($250 million of this increase is earmarked for the school accountability fund to provide financial assistance to 80 percent of the 7,000 schools currently identified for improvement or corrective action). Additional proposed increases include $1.75 billion for the class-size reduction initiative ($450 million increase), and 21st Century Learning Centers would receive an increase of $546 million to total $1 billion for the next fiscal year. State grants for special education were increased $290 million to $5.29 billion.

The executive budget eliminated several programs like Title VI ($365 million), Eisenhower Professional Development ($335 million) and Goals 2000 ($491 million), and used the money to fund existing programs and create new ones.

Among the new programs created in this budget is $1.3 billion for a new School Renovation Grant and Loan Program and the Teaching to High Standards Program ($690 million). These programs support the Clinton Administration's ESEA proposal to create a new standards-based reform grant program. These programs could be used to help educators improve classroom-based learning through instruction alignments, curricula, assessments and professional development. In addition to these, several other new smaller programs, ranging from $20 million to $120 million, address issues like school academies, public school choice, and the recruitment and retention of teachers in local communities.

★ House Budget Resolution

On Wednesday, March 15, the House Budget Committee approved an increase of $2.2 billion for elementary and secondary education funding as part of the budget resolution for FY 2001. The resolution, while non-binding, does set parameters for federal spending in FY 2001. The resolution states specifically that of the $2.2 billion, $2 billion is for IDEA. Furthermore, the resolution states that IDEA should be the highest priority among federal elementary and secondary education programs, and prior to authorizing or appropriating funds for any new education initiative, IDEA should receive the maximum state grant allocation by the federal government. The language also provides local education agencies with the authority and flexibility to use new or increased funding of additional programs for IDEA as they so determine.

The resolution also calls for Congress to enact legislation that would consolidate 31 federal education programs (no programs specifically delineated) into a block grant that ensures that not less than 95 percent of the funds is spent for children in the classroom.

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An additional amendment was passed unanimously that calls upon the Health Care Financing Administration (HCFA) to "substantially revise or abandon the current draft *Medicaid Administrative Claiming Guide.*" This is a significant victory, as the current draft claiming guide would adversely impact the ability of schools to receive reimbursement for Medicaid outreach and services provided to disabled children under current law.

★ NSBA Position

NSBA urges Congress to help secure the future of our nation's children by investing in all aspects of our public schools. This means that all the students, including those with special educational needs (disabled, impoverished, gifted, etc.). The teachers in our classrooms, the training they receive, the learning tools they use (computers and technology), and the physical structure of our schools must be supported through federal funding increases.

While we are pleased with the final numbers that President Clinton proposed, there are concerns regarding the funding of special education and the elimination of Title VI and other programs that many school districts rely upon to provide services. Furthermore, the consolidation of funding for these programs into a series of new, smaller programs will make it more difficult for schools to receive funding without significant increases in administration.

NSBA is pleased with the House budget resolution's priority on IDEA funding. We also support the concept of increased flexibility and are supportive of the House resolution regarding HCFA. However, we are concerned about the lack of additional funding increases for critical programs like Title I.

Listed below are the general parameters and positions regarding education funding issues.

- **Special Education**—Under the Individual with Disabilities Education Act (IDEA), the federal government agreed to pay for 40 percent of the excess costs incurred by school districts for the education of disabled children. Despite significant funding increases over the last few years, the total federal funding still amounts to less than 12 percent of the total costs associated with implementing the federal mandate (or less than one-third of the federal commitment). If federal special education funding only grows by $500 million each year, it will take 22 years to fully fund the federal share, if costs ***never*** increase.
- **Title I**—Congress must invest in those core education programs like Title I that provide extra assistance for those children with special educational needs. Federal investment in programs for the disadvantaged is responsible for two-thirds of the increase in National Assessment of Educational Progress test scores among minority students over the past twenty years.
- **Class-size Reduction and Teacher Training**—Congress must increase funding to provide more teachers and teacher training programs. Among these programs are class-size reduction, education technology, and teacher technology training.
- **School Construction and Renovation**—Congress must drastically increase support for school construction. It will cost more than $112 billion to repair or upgrade dangerous, substandard school facilities. Also, $73 billion is needed to build new schools in order to meet the surge in enrollment, which brings the total burden on local school districts to nearly $200 billion.
- **Education Technology**—Congress must increase federal support to purchase, implement, and use the latest technology. This will allow our students to better compete in the rapidly changing world economy. Only slightly more than 50 percent of the nation's classrooms are connected to the Internet. Just 37 percent of high-poverty and minority schools have access to the information superhighway. Congress must help close this "digital divide."
- **Title VI**—Congress must provide greater funds for Title VI Innovative Educational Strategies. This program provides money via block grants for local school districts to use in any manner that will improve education overall.

March 2000

Major Federal K-12 Education Programs
FY2000 Education Appropriations vs FY2001 President's Budget
(in millions of dollars)

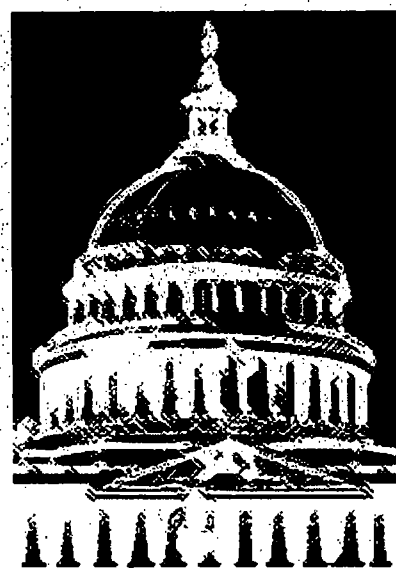
Selected Current Programs	FY 2000 Appropriations	President's FY 2001 Budget	Difference *2001-2000*
Title I *(total)	$8,700.9	$9,146.0	$445.1
**Title I *(LEA Grants)*	$6,783.0	$5,683.1	-$1,099.9
*Comprehensive School Reform	$170.0	$190.0	$20.0
Special Education *(state grants)*	$4,989.7	$5,279.7	$290.0
Class-Size Reduction	$1,300.0	$1,750.0	$450.0
Goals 2000	$491.0	$0.0	-$491.0
School-to-Work	$55.0	$0.0	-$55.0
Technology Literacy Challenge Fund	$425.0	$450.0	$25.0
Impact Aid	$906.5	$770.0	-$136.5
Eisenhower Professional Development *(state)*	$335.0	$0.0	-$335.0
Title VI	$365.7	$0.0	-$365.7
Safe and Drug-Free Schools	$600.0	$650.0	$50.0
Magnet Schools	$110.0	$110.0	$0.0
Charter Schools	$145.0	$175.0	$30.0
Bilingual Education	$248.0	$296.0	$48.0
Immigrant Education	$150.0	$150.0	$0.0
21st Century Community Learning Centers	$453.4	$1,000.0	$546.6
Fund for the Improvement of Education	$243.8	$137.5	-$106.3
Vocational Education (total)	$1,192.8	$1,183.8	-$9.0
Total Selected Current Programs	**$20,711.8**	**$21,098.0**	**$386.2**

New Programs			
Small Safe and Successful High Schools	n/a	$120.0	$120.0
Teaching to High Standards	n/a	$690.0	$690.0
School Leadership Initiatives	n/a	$40.0	$40.0
Hometown Teachers	n/a	$75.0	$75.0
Higher Standards, Higher Pay	n/a	$50.0	$50.0
Teacher Quality Initiative	n/a	$50.0	$50.0
Transition to Teaching	n/a	$30.0	$30.0
Early Childhood Educator Professional Development	n/a	$30.0	$30.0
School Renovation	n/a	$1,300.0	$1,300.0
Options	n/a	$20.0	$20.0
Total Selected Current and New Programs	**n/a**	**$2,405.0**	**$2,405.0**

*Title I (total) includes the LEA grant money and the Comprehensive school reforms

** Please note the Title I (total) includes the LEA grants. The $ removed from the state grants portion of Title I was moved to the targeted grants portion of Title I.

Elementary and Secondary Education Act



ISSUE BRIEF

·NSBA·

Elementary and Secondary Education Act

★ The Issue

The Elementary and Secondary Education Act (ESEA), first passed by Congress in 1965 and last reauthorized in 1994, comprises the major part of the federal government's commitment to K-12 education. The dual emphasis of ESEA has been: (1) to raise the bar for educational programs through a focus on high standards provided by the states and localities; and (2) to ensure that children living in high-poverty communities can effectively achieve higher standards. Collectively, ESEA and its related programs authorize $12 billion in funding for states and school districts to expand the opportunities for success of all children. These programs include Title I for Disadvantaged Children and most other major federal programs except vocational and special education. Virtually every school district receives some federal funds through ESEA programs.

★ Legislative Status—House

The reauthorization process for ESEA began with the passage of three House bills—the Teacher Empowerment Act, H.R. 1995; the Academic Achievement for All Act, H.R. 2300; and the Student Results Act, H.R. 2. The House Education and the Workforce Committee strategy was led by Chairman William F. Goodling (R-PA). The first of these bills, the Teacher Empowerment Act (H.R. 1995), focused on teacher quality by consolidating three important programs: (1) the Eisenhower Professional Development Program; (2) Goals 2000; and (3) class-size reduction. The second bill, the Student Results Act (H.R. 2), centered on low-achieving students (i.e., Title I); education of migratory students; bilingual education; comprehensive school reform; magnet schools assistance; gifted and talented children; rural education; the Homeless Education Improvements Act of 1999; and Indian, Native Hawaiian, and Alaskan Native education.

Additionally, the House passed the Academic Achievement for All Act (H.R. 2300). This legislation would allow as many as ten states to consolidate federal K-12 programs into one account for school improvement, provided the states agree to contracts with the government for raising student achievement. States opting for this approach would have to show they are reducing the achievement gap between poor and more affluent students, and between minority and non-minority students. States would also have to disclose achievement data according to demographic characteristics in major racial and ethnic groups by gender and according to English proficiency status.

The remaining issues to be addressed by the House Education and the Workforce Committee are expected to be addressed in a final "catch-all" bill with full House action in early April.

★ Legislative Status—Senate

The Senate Health, Education, Labor and Pensions (HELP) Committee strategy, led by Chairman James Jeffords (R-VT), addresses the programs in a single comprehensive bill. The Senate bill, S. 2, The Educational Opportunities Act, passed the HELP Committee on March 9, on a party-line vote of 10-8. The bill is expected to come before the full Senate in early April.

This bill, as passed by the committee, includes the following key provisions: 1) authorizes $15 billion in FY 2001 for Title I funds; 2) extends school-wide programs if at least 40 percent of the student population is economically disadvantaged; 3) allows schools to use federal money to pay advanced courses taught via computers; 4) establishes a goal of having all students computer literate by the time they leave the eighth grade; 5) allows up to 15 states to participate in a block grant program directed by the states rather than the local school districts; 6) permits Title I funds to be paid directly to a private tutorial provider; 7) places far greater emphasis on corrective action rather than on early intervention; 8) expands federal management of public school choice; 9) establishes requirements that result in administrative burdens on local school districts; and 10) increases the level of teacher quality funding to those students living in poverty.

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National School Boards Association ■ 1680 Duke Street ■ Alexandria Virginia 22314-3493 ■ (703) 838-6722 ■ Fax (703) 548-5613 ■ http://www.nsba.org

★ NSBA Position

- **H.R. 1995, Teacher Empowerment Act**—NSBA raised several objections to the Teacher Empowerment Act, but stopped short of opposing the legislation. The initial bill would have shifted funds away from those most in need (high-poverty concentration areas). As a partial remedy, Chairman Goodling's amendment included a "hold harmless" provision to ensure states would not receive any less funding than they received for FY 1999. However, NSBA expressed disappointment that the consolidation could be used as a vehicle for limited or cutting future funding unless there were protections in the bill to guard against that result.
- **H.R. 2, Student Results Act**—NSBA supported passage of the Student Results Act. However, NSBA identified areas that had not been adequately addressed. These areas included inadequate support for local school district-wide capacity building, insufficient targeting of new funds to school districts most in need, inadequate expansion of early childhood development programs, and the lack of accountability for non-public schools.
- **H.R. 2300, Academic Achievement for All Act**—NSBA strongly opposed the Academic Achievement for All Act. NSBA is concerned that this approach will not provide sufficient resources for those most in need. Moreover, states will determine the allocations, in part, influenced by state legislatures who more often than not come from districts that are not heavily populated by high-poverty constituents. This bill creates, in effect, a slush fund for governors, thus taking away the authority from local school districts. The result is that the school districts with students most in need will be inadequately funded in relation to other school districts that may have more political leverage. Additionally, when programs are consolidated at the state level, especially without a triggering mechanism, they become vulnerable to funding cuts.
- **S. 2, The Educational Opportunities Act**—NSBA opposes this version that passed by the Senate HELP Committee. While the bill contains many provisions that strengthen accountability and improve the quality of education for some students, several key provisions and omissions will undermine the overall effectiveness of the legislation to support student achievement. **Those areas most objectionable to NSBA include:**
  1) **Title I Portability**—This provision would allow Title I funds to be paid directly to a private tutorial provider (including religious institutions), and thereby reduce the targeting of Title I funds.
  2) **The Academic Achievement for All (Straight A's) Provisions**—These provisions are very similar to the House bill, with expanded authority to as many as 15 states. These states are then eligible to consolidate funds from approximately 13 federal programs (including Title I), and funds may be used for any elementary and secondary educational purpose permitted by state law of the participating state. The flexibility, at the state level rather than at the local school district level, complicates the local decision-making process and undermines the financial equity of the federal role.
  3) **Inadequate Support to Local School Districts for Accountability**—This provision places far too much emphasis on corrective action than on early intervention to preclude school level or district level failure. The emphasis should be to assist marginal school districts and schools before they fail.
  4) **Lack of a Separate Funding Stream within Title I for Preschool Programs**—NSBA is pleased that local school districts may use Title I, Part A funds for preschool services. However, we do not believe that school districts will be able to significantly draw upon their basic Title I K-12 grants to support preschool services at the priority that is needed. As local school districts seek to raise achievement levels, additional funding mechanisms need to be established for the preschool level. Further, local school districts should have the option to use these funds to drive a strong education component in programs like Head Start, as well as other preschool providers.
  5) **Expanded Federal Management of Public School Choice**—Several provisions require local school districts to implement public school choice programs unless specifically prohibited by local or state law. NSBA supports public school choice programs at the discretion of the local school district. However, NSBA opposes measures that create such presumptive preferences to improve the educational services of only a few students, rather than focusing on improving educational services for all students.
  6) **Inadequate Funding Increases to Support Teacher Quality**—NSBA supports the increased level of teacher quality funding allocated for students living in poverty. However, NSBA is concerned that overall funding will not be sufficient in the future for this critical priority unless the bill contains a provision that would trigger the consolidation only if the annual appropriation is increased by some specified amount.

March 2000

Senate Panel's ESEA Rewrite Allows State Block Grants, Private School Vouchers

Senate Republicans sparked an election-year fight over public schools on March 9 when the Health, Education, Labor and Pensions Committee approved legislation (S 2) to rewrite the landmark 1965 Elementary and Secondary Education Act (ESEA). The GOP plan includes state block grants and a limited program of private school vouchers.

Education Secretary Richard W. Riley promised that President Clinton would veto the bill, approved by the committee on a 10-8 party-line vote. Senate Democrats, who offered a series of unsuccessful amendments to increase funding for school construction, reduce class size and improve teacher training, vowed an all-out battle on the chamber floor.

"They turned their backs on the progress that has been made in setting and implementing high standards for all children," said Edward M. Kennedy of Massachusetts, the committee's ranking Democrat.

"The Republican bill is the wrong direction for education and the wrong direction for the nation. We will do all we can to enact a bill that will make a real difference in helping the nation's public schools and improving the education of every child," he said.

Republicans countered that Democratic efforts to maintain tight federal regulations would stymie state attempts to improve academic performance. They pointed out that the test scores of low-income children had improved little in the 35 years since the ESEA became law, despite federal spending to the tune of $185 billion.

"This [committee bill] is the most flexible of all current federal education programs, permitting local schools to undertake the activities most likely to improve their schools and enhance the performance of their students," said committee Chairman James M. Jeffords, R-Vt.

"These funds are put to work where the need is greatest, be it technology or library books or teacher training," he said.

Still, Jeffords, who is more moderate than his fellow committee Republicans, voted "present" on two successful amendments by Judd Gregg, R-N.H., that would rewrite the $8 billion-a-year Title I program for disadvantaged students, the foundation of the ESEA.

The first amendment would turn some Title I funds into vouchers that could be used to purchase educational services from private or religious schools. Another would let states roll Title I and most other federal programs into block grants.

Philosophy and Politics

As approved, the committee bill goes further in reshaping Title I than a House measure (HR 2) passed in October. The House bill would keep the basic structure of Title I intact, while setting more stringent academic standards and increasing funding.

Jeffords opened debate on the Senate bill March 1, offering a draft that would have authorized roughly $19.7 billion a year for the myriad programs in the ESEA, including Title I, bilingual education, and safe and drug-free schools. It also includes the Impact Aid program for local districts that are burdened by having non-taxable federal installations within their boundaries.

Jeffords' draft moved existing teacher development programs and Clinton's plan to hire 100,000 teachers into a new $2 billion annual block grant for teacher training. Like the House bill, it would require tougher state standards to ensure that students served by Title I were showing academic improvement.

Democrats roundly rejected Jeffords' proposal, particularly the block grant portion, as giving a blank check to state governors. Some of Jeffords' fellow Republicans argued that his plan did not deviate enough from 35 years of federal intervention.

Most of the GOP complaints were directed at Title I, which provides funds to schools specifically to raise the academic performance of disadvantaged students.

Schools where 50 percent of the student population is economically disadvantaged can use Title I money to implement schoolwide programs. Schools with smaller populations of poor students focus on using the funds to help individuals.

During debate, the committee adopted by voice vote an amendment by Bill Frist, R-Tenn., that would allow schools with 40 percent of students in poverty to set up schoolwide Title I programs, down from the current 50 percent threshold.

The Jeffords bill originally would have maintained separate funding streams for Title I funds. That changed with the Gregg amendments.

One of the Gregg proposals adopted by the committee would establish a 15-state pilot program under which gover-

Box Score

Bill:
S 2 — To reauthorize the 1965 Elementary and Secondary Education Act, the federal government's main education law.

Latest action:
Senate Health, Education, Labor and Pensions Committee approved, 10-8, on March 9.

Next likely action:
Senate floor, possibly in April.

Reference:
House action, 1999 CQ Weekly, p. 2521; Senate committee action, CQ Weekly, p. 481.

By Andrew Beadle

nors could elect to receive nearly all federal education funding, including parts of Title I, as a block grant. The proposal was based on one of the GOP leadership's primary education priorities, the so-called Straight A's bill.

In exchange for the greater flexibility, states would have to enter a five-year agreement with the Department of Education that would include student performance goals. States would have to establish, and show progress in reaching, student performance standards or risk losing their flexibility.

"If you accept that flexibility, you also have to accept the responsibility of teaching these children how to read and write," Gregg said. His amendment was adopted, 9-8.

The House passed legislation (HR 2300) by 213-208 on Oct. 21 that would allow 10 states to participate in a similar block grant pilot.

"Passage of the Straight A's is a signal that this Congress intends to turn its back on over 15 years of bipartisan effort to raise achievement levels through standards-based reform," Riley said in a March 9 statement. "I will certainly recommend that the president veto this unfocused and undemanding piece of legislation."

Gregg shepherded two other major amendments through the panel.

One would allow 10 states to turn Title I into a "portable" program. Under his plan, pupils from low-income families who received Title I funds would receive a voucher instead. The funds would move with the students if they transferred to another public school and could be used to purchase services from private schools. That passed 9-8.

A second amendment approved by voice vote would allow students in Title I schools classified as failing to transfer to other public schools. More than 7,000 schools receiving Title I funds have been classified as failing. If a school did not improve its performance after four years, the district would have to pay the transportation costs to move students to another school.

Republicans based many of their arguments for change on the belief that the ESEA has been a massive failure. States and local school districts are in a better position to determine their own needs and priorities, they said, and should not follow Washington dictates.

"It is my hope that additional improvements will be made on the floor and in conference that will provide even greater local control over education dollars and programs," said Tim Hutchinson, R-Ark.

Democrats countered that states could use their own funds to make the kinds of improvements Republicans claimed were priorities. Federal money accounts for 7 percent of education, and states and local governments provide the remaining 93 percent. Democrats also said the federal government does a far better job than states of directing aid to low-income students.

Targeted Aid

"The whole reason the federal government got involved was because states were not targeting money to disadvantaged students," said Joel Packer of the National Education Association (NEA), a labor union that counts about 2.3 million education workers in its membership.

Democrats offered dozens of amendments, including an effort by Kennedy to specify that the $2 billion teacher training block grant in the bill would have to be spent in specific areas.

Patty Murray, D-Wash., proposed an amendment that would have authorized $1.75 billion for the third year of Clinton's seven-year plan to hire 100,000 new teachers and reduce average class size to 18 in early grades. Like the Kennedy amendment, Murray's proposal was rejected on party lines.

Republicans, outnumbering Democrats 10-8 on the committee, voted cohesively throughout most deliberations. Five GOP members joined Democrats, however, to soundly reject an amendment offered by Jeff Sessions, R-Ala., that would have prohibited the Department of Education from using funds to develop publications on hate crimes. Sessions said hate crimes were too difficult to define.

All Republicans joined Democrats to raise the authorization for Title I in fiscal 2001 to $15 billion from the $10 billion Jeffords had suggested. The Clinton administration's fiscal 2001 budget calls for $8.4 billion for Title I. Funding would be determined by a separate appropriations bill.

Any hint of bipartisan cooperation that surfaced in committee is likely to be short-lived, as election-year politics intensify the debate on an issue both parties want to claim as their own.

"The bill as it's now written is beyond repair," the NEA's Packer said.

During markup, the committee also:

- Adopted by voice vote an amendment by Barbara A. Mikulski, D-Md., that would establish as a national goal having all students computer literate by the eighth grade.
- Adopted, 9-8, a Sessions amendment that would incorporate several provisions from a juvenile justice bill (S254), such as violence-prevention programs and the transfer of records of expelled students to new schools.
- Rejected, 8-10, an amendment by Tom Harkin, D-Iowa, that would have authorized $1.3 billion for school construction grants and loans.
- Rejected, 8-10, an amendment by Jack Reed, D-R.I., that would have dedicated funding for school library collections.
- Rejected, 8-10, a Reed amendment that would require states to publish names of schools that were considered failing. ◆

> *"Passage of the 'Straight A's' is a signal that this Congress intends to turn its back on over 15 years of bipartisan effort to raise achievement levels through standards-based reform. I will certainly recommend that the president veto this unfocused and undemanding piece of legislation."*
>
> **— Education Secretary Richard W. Riley**

Vouchers

·NSBA· ISSUE BRIEF

Education IRA—A Backdoor Voucher

★ The Issue

Elementary and Secondary Education IRAs would create a new public tax subsidy that would provide tax breaks for "educational expenses" including tuition and fees at public, private, and religious schools. K-12 IRAs would allow people to deposit up to $2,000 annually in a dedicated investment account. Amounts in the account would accumulate on a tax-free basis and would be exempt from tax when used for elementary and secondary education expenses. The proposal would expand current law that allows for $500 a year for a higher education IRA.

★ Legislative Status

The Senate passed S. 1134, the Affordable Education Act, to expand education savings accounts on March 2, by a 61-37 margin.

Several amendments were considered to the underlying bill including the following:

- Senator Paul Coverdell (R-GA)—Amendment to the Safe and Drug Free Schools Program to encourage schools to have zero-tolerance for drugs and violence. *Passed 96-1.*
- Senator William V. Roth Jr. (R-DE)—Amendment that makes the education savings accounts legislation permanent and funds the program from the budget surplus. *Passed 59-40.*
- Senator Susan M. Collins (R-ME)—Amendment to provide teachers with a tax deduction for supplies and gives a $100 tax credit for purchases of classroom materials. *Passed unanimously.*
- Senator Richard J. Durbin (D-IL)—Amendment to provide grants to reduce school violence. *Passed 91-7.*
- Senator Dianne Feinstein (D-CA)—Amendment prohibiting funds appropriated under the Elementary and Secondary Education Act to be available to a local education agency unless the state demonstrates to the U.S. secretary of education that the state has adopted a policy prohibiting social promotion. *Failed 30-68.*
- Senator Christopher J. Dodd (D-CT)—Amendment to move funds from education savings accounts to the Individuals with Disabilities Education Act instead. *Failed 44-54.*
- Senator Charles S. Robb (D-VA)—Amendment to authorize $1.3 billion in grants and loans for emergency repairs to schools and provide $25 billion in tax credits to modernize schools. *Failed 42-52.*

★ Next Action

The next likely action is expected to be a mark-up of education savings accounts by the House Ways and Means Committee.

If S. 1134 were presented to President Clinton for his signature, the secretaries of both the U.S. Department of Treasury and U.S. Department of Education would recommend that he veto the bill. President Clinton has vetoed similar versions of the bill in the past.

OFFICE OF ADVOCACY

★ NSBA Action

On February 23, NSBA sent a letter to all senators urging them to oppose the bill. NSBA noted that the $2 billion that this bill would cost over ten years could be put to much better use by funding existing education priorities such as increased funding for IDEA (special education). NSBA's letter was read on the Senate floor by Senator Dodd (D-CT) and was entered into the *Congressional Record.* The Senate proceedings that include the letter are included in these briefing materials on page 26.

Voting Record for S. 1134, the Affordable Education Act

Yeas (61)

Republicans (52)

Abraham (MI)	Crapo (ID)	Helms (NC)	Santorum (PA)
Allard (CO)	DeWine (OH)	Hutchinson, T. (AR)	Sessions, J. (AL)
Ashcroft (MO)	Domenici (NM)	Hutchison, K. (TX)	Shelby (AL)
Bennett (UT)	Enzi (WY)	Inhofe (OK)	Smith, G. (OR)
Bond (MO)	Fitzgerald (IL)	Kyl (AZ)	Smith, R.C. (NH)
Brownback (KS)	Frist (TN)	Lott (MS)	Snowe (ME)
Bunning (KY)	Gorton, S. (WA)	Lugar (IN)	Specter (PA)
Burns (MT)	Gramm, P. (TX)	Mack (FL)	Stevens (AK)
Campbell, B. (CO)	Grams, R. (MN)	McConnell (KY)	Thomas, C. (WY)
Cochran (MS)	Grassley (IA)	Murkowski (AK)	Thompson, F. (TN)
Collins, S. (ME)	Gregg (NH)	Nickles (OK)	Thurmond, S. (SC)
Coverdell (GA)	Hagel (NE)	Roberts (KS)	Voinovich (OH)
Craig (ID)	Hatch (UT)	Roth (DE)	Warner (VA)

Democrats (9)

Biden (DE)	Breaux (LA)	Byrd (WV)
Cleland (GA)	Feinstein (CA)	Kerrey, R. (NE)
Kohl (WI)	Lieberman (CT)	Torricelli (NJ)

Nays (37)

Republicans (2)

Chafee, Lincoln (RI) Jeffords (VT)

Democrats (35)

Akaka (HI)	Dorgan (ND)	Kerry, J. (MA)	Reed, J. (RI)
Baucus, M. (MT)	Durbin (IL)	Landrieu (LA)	Reid, H. (NV)
Bayh (IN)	Edwards, J. (NC)	Lautenberg (NJ)	Robb (VA)
Bingaman (NM)	Feingold (WI)	Leahy (VT)	Rockefeller (WV)
Boxer (CA)	Graham, B. (FL)	Levin, C. (MI)	Sarbanes (MD)
Bryan (NV)	Harkin (IA)	Lincoln (AR)	Schumer (NY)
Conrad (ND)	Hollings (SC)	Mikulski (MD)	Wellstone (MN)
Daschle (SD)	Johnson, T. (SD)	Moynihan (NY)	Wyden (OR)
Dodd (CT)	Kennedy, E. (MA)	Murray (WA)	

Not Voting (2)

Republicans (1)—McCain (AZ)
Democrats (1)—Inouye (HI)

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are the issues on which Democrats have said time and again we should focus.

Our colleague, Senator DODD from Connecticut, has joined us. I am happy he is here because he has a very critical amendment. Where Senator COVERDELL's bill suggests we will focus half of the assistance in this new program on private schools where only 10 percent of our kids attend school and where he has said the vast majority of the resources in his bill will go to the wealthiest families in our country, those in the upper 20 percent, Senator DODD comes in with a much more practical and grounded alternative.

I will leave it to the Senator to explain it in detail, the idea that we would provide school districts across America, rich and poor, wherever they are located, assistance in helping to educate kids with special needs. Meet with any school board member, any school superintendent, or many teachers for that matter, and ask them about the challenges of today. They will tell you that kids with special needs, disabled kids, need special attention so they can develop their highest potential. It costs money to do it. It takes extra resources. We have made the commitment in theory. What Senator DODD suggests is we should put our money where our commitment is and say to these school districts that we will help you with these kids. We believe it is worth the investment.

At this point I see Senator DODD is on the floor and prepared to discuss his amendment. I am happy to yield to my colleague from the State of Connecticut.

Debate begins

Mr. DODD. Mr. President, I thank my colleague for yielding. Let me also thank our good friend, the Senator from Nevada, HARRY REID, for introducing the amendment on my behalf. Unfortunately, I was delayed this morning due to a problem with my flight. I apologize for not getting here earlier and I am grateful to my colleague for stepping in to help.

I see my good friend from Georgia is here. We have gone around on this issue in the past. I have great respect and admiration for him. We disagree on this issue, so I am sure we will have a good healthy debate about it.

In fact, we may not disagree about it at all. What I am trying to do with this amendment, I presume my friend from Georgia and others would also support. Let me briefly outline the amendment for my colleagues. While we only have a few minutes this morning, we will resume debate this afternoon.

It is somewhat ironic, in a way, that we will be meeting in about 22 minutes with the national Governors. We will gather together and have a joint meeting. I commend the leadership for arranging that.

Due to this meeting, I think it is worthy of note that the Governors are headed up by Mike Leavitt, Governor from Utah; Governor Mike Huckabee, vice chair on Human Resources from Arkansas; Governor Jim Hunt from North Carolina, who is the chair of the Committee on Human Resources; and Governor Tom Carper of Delaware, who is co-chair with Mike Leavitt of the National Governors' Association.

This letter is dated a year ago, but it was about a year ago that we engaged in a similar debate. At that time, a letter was sent to our colleague, PETE DOMENICI, chairman of the Committee on the Budget. The letter specifically addresses the issue my amendment proposes to correct or to at least offer to provide some support for special education funding. The letter says:

As you prepare the budget resolution for the coming fiscal year, the nation's Governors urge Congress to live up to agreements already made to meet current funding commitments to states before funding new initiatives or tax cuts in the federal budget.

The federal government committed to fully fund—defined as 40 percent of the costs—the Individuals with Disabilities Education Act (IDEA) when the law, formerly known as the Education of the Handicapped Act, was passed in 1975. Currently, the federal government's contribution amounts to only 11 percent, and states are funding the balance to assist school districts in providing special education and related services. Although we strongly support providing the necessary services and support to help all students succeed, the costs associated with implementing IDEA are placing an increased burden on states.

We are currently reallocating existing state funds from other programs or committing new funds to ensure that students with disabilities are provided a "free and appropriate public education." In some cases, we are taking funds from existing education programs to pay for the costs of educating our students with disabilities because we believe that all students deserve an equal opportunity to learn. Therefore, Governors urge Congress to honor its original commitment and fully fund 40 percent of Part B services as authorized by IDEA so the goals of the act can be achieved.

Mr. President, I also have a letter, dated February 23, 2000, from the National School Boards Association opposing the underlying bill, the Affordable Education Act, and supporting my amendment. Specifically, I quote from the letter:

NSBA believes that a greater benefit for children and taxpayers alike will occur if this money is spent meeting the unmet federal commitment in special education. Throughout the country, taxpayers are indirectly paying higher school and property taxes in their districts to compensate for the federal funding shortfall in the education of children with disabilities. Rather than create a tax benefit for a select few, applying these funds to special education would benefit more taxpayers and public schools.

I ask unanimous consent that the letters from the Governors, as well as the National School Boards Association, be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL GOVERNORS ASSOCIATION,
March 9, 1999.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As you prepare the budget resolution for the coming fiscal year, the nation's Governors urge Congress to live up to agreements already made to meet current funding commitments to states before funding new initiatives or tax cuts in the federal budget.

The Federal Government committed to fully fund—defined as 40 percent of other costs—the Individuals with Disabilities Education Act (IDEA) when the law, formerly known as Education of the Handicapped Act, was passed in 1975. Currently, The Federal Government's contribution amounts to only 11 percent, and states are funding the balance to assist school districts in providing special education and related services. Although we strongly support providing the necessary services and support to help all students succeed, the costs associated with implementing IDEA are placing an increased burden on states.

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This is such a high priority for Governors, that at the recent National Governors' Association Winter Meeting, it was a topic of discussion with the President as well as the subject of an adopted, revised policy attached. Many thanks for your consideration of this request.

Sincerely,

Gov. THOMAS R. CARPER.
Gov. MICHAEL O. LEAVITT.
Gov. JAMES B. HUNT, Jr.,
Chair, Committee on Human Resources.
Gov. MIKE HUCKABEE,
Vice Chair, Committee on Human Resources.

NATIONAL SCHOOL BOARDS ASSOCIATION,
Alexandria, VA, February 23, 2000.

Re Oppose S. 1134, the Affordable Education Act

MEMBER,
U.S. Senate,
Washington, DC.

DEAR SENATOR: On behalf of the nation's 95,000 local boards members, the National School Boards Association (NSBA) urges you to oppose S. 1134, the Affordable Education Act.

NSBA is opposed to this legislation that would expand education savings accounts to allow tax-free expenditures for K-12 public, private, and religious school tuition. NSBA believes that limited public funds could be better invested in priority areas of K-12 education. Specifically, Congress should focus scarce tax dollars on the federal government's current obligations to our nation's public schools.

The Joint Tax Committee estimated that K-12 education savings accounts come with a price tag of well over $2 billion over ten years. In addition to the expense of this program, education savings accounts would disproportionately be used by affluent families and provide very little benefits to lower and middle income families. NSBA believes that a greater benefit for children and taxpayers alike will occur if this money is spent meeting the unmet federal commitment in special education. Throughout the country, taxpayers are indirectly paying higher school and property taxes in their districts to compensate for the federal funding shortfall in

letter continued

the education of children with disabilities. Rather then create a tax benefit for a select few, applying these funds to special education would benefit more taxpayers and public schools.

Providing additional funds for students with disabilities will enable Congress to take a small step forward in eliminating the unfunded mandate on local school districts. This, in turn, will free up funds at the local level to help increase student achievement for all students.

NSBA urges you to oppose the education savings accounts legislation. If you have questions, please contact Dan Fuller, director of federal programs, at 703-838-6763.

Sincerely,

MICHAEL A. RESNICK,
Associate Executive Director.

Mr. DODD. Let me again make the point I made last week and will make again this afternoon. There are parts of this bill the Senator from Georgia is offering with which I have no disagreement. However, it seems to me that we are talking about relatively scarce resources. While we are in a surplus—and we all applaud this fact—we all know we don't have all the money we would like to spend in educational areas. But to have a tax break of a $1.2 billion over 5 years, the cumulative benefit, according to the Joint Committee on Taxation, would amount to $20.50—$20.50 on average.

My amendment would provide a benefit that would go back to our communities where we know from our mayors and county executives how difficult it is for local taxpayers to support the costs of special needs education. In some cases, the cost of a special needs child can be $50,000 or more per year. Now, on average, it is a lot lower, but there are cases that are not that rare, in fact where the costs are very high, that is borne by the local property taxpayers, or the State taxpayers.

We made a commitment—the Federal Government—and said: we think you ought to provide an education for all children in this country. We think it is important to educate children with disabilities. I will tell you what we will do, communities and States. If you will support this effort and put up 60 percent of the money, we will put up 40 percent of the money.

Despite the fact we made that commitment more than a quarter century ago, we have only gotten up to 12.7 percent. Now, $1.2 billion doesn't get you to 40 percent, but it gets you a lot closer. That is real tax relief, what the Governors are asking us to do, what the national school boards are asking us to do, and what our mayors and county executives have asked us to do.

I can't think of a better way to allocate $1.2 billion if we are going to do it at this juncture, do what the Governors asked us to do and what the mayors asked us to do—that is, be the partner we promised to be on special education.

My mayors in Connecticut tell me it is the most important issue to them. I asked them what we can do to help them out. They say: Help us in this area. You made the promise, so why don't you do it?

Instead, what we do too often is pit people against each other in local communities, where a family, unfortunately, has been hit with a child born with a significant disability and, all of a sudden, the cost of educating that child is high, and there are people who resent that fact locally. It creates tensions in our towns and cities. I don't think that ought to be the case. So with scarce resources, why not pitch in, why not meet the commitments we have made.

This may take a supermajority vote. I suspect there is going to be a point of order raised against this amendment that will require 60 votes. I have listened to my colleagues over and over, going back some 7, 8, 10 years ago when I first offered this amendment in the Budget Committee. I lost the amendment on a tie vote. To the credit of the majority leader, TRENT LOTT, he supported me, as did several other Republicans. However, I lost some Democratic votes on the Budget Committee. Almost every year since then, I have offered some variation of this amendment. We have come close some years, not so close in others. But all of us know when we go back to our States, this is an issue our constituents and their representatives at the local level care about, and they want the Federal Government to live up to the commitments we made so many years ago.

It is important to children with special needs. Again, I am preaching to the choir, I suspect, because all of my colleagues care about education. But if we are going to have the best educated population this country has ever produced—and I think we need to do that if we are going to succeed in the 21st century—then we have to make intelligent investments of taxpayer money when it comes to achieving that goal.

We have children with special education needs. This is an opportunity now for us to not provide a $20.50 average tax break, but to get money back to these communities that will allow them to provide the kind of educational opportunity for children with special needs who can be productive, contributing members of our society. But if children with disabilities don't get the educational tools they need, they too often face insurmountable obstacles.

Again, it is not that what the Senator from Georgia has proposed is necessarily a terrible idea; I am not suggesting that. I suggest if you have limited resources, and we have clear choices—I think most Americans when confronted with the choice of getting a $20.50 tax break over 5 years, or seeing this money go to defray local property taxes or State taxes, to live up to the commitment on special education, I believe most Americans would choose the latter; they would see this as a better investment of their tax money by reducing those costs.

So I also want to add, if I could at this point, a list of what it costs each State, the charts that will spell out in each State the special education costs. They are very high. These are very high costs in terms of what we are contributing. To give you an idea, in the State of California, in special education costs, we come up with 5 percent of the money, the State comes up with 71 percent, and the local government comes up with 24 percent. Going on down this list of various States, to give you some sense of it. In the top State I can find, Indiana, we do 17 percent, the State does 63, and the local does 20. Most of them are in the single-digit area where it is 4, 5, 6, 9 percent coming from the Federal Government.

Mr. President, I ask unanimous consent that this list of education expenditures reported by selective States on special education be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE I-2—SPECIAL EDUCATION EXPENDITURES AS REPORTED BY SELECTED STATES

[19th annual report to Congress: Section I—The costs of special education]

State	Total special education expenditures*	Associated special education student count**	Average State-defined special education expenditure per student	Percentage of support by source			Confidence in data
				Federal	State	Local	
California	A $3,070,700,000	D 550,293	$5,580	5	71	24	SC
Colorado	A 260,337,092	E 76,374	3,409	9	31	60	HC
Connecticut	627,331,211	73,792	8,501	4	37	59	HC
Florida	B 1,470,186,078	D 290,630	5,059	6	56	38	C
Indiana	B 350,430,294	127,079	2,758	17	63	20	NC
Iowa	B 277,700,000	E 65,039	4,270	11	70	19	HC
Kansas	B 326,106,608	47,489	6,867	7	54	39	HC
Louisiana	427,924,416	E 108,317	3,951	6	94	0	C
Maine	B 145,000,000	30,565	4,744	8	59	33	HC
Maryland	757,328,777	95,752	7,909	5	26	69	HC
Massachusetts	1,065,523,416	149,431	7,131	6	30	64	HC
Michigan	B 1,334,000,000	F 188,703	7,069	6	34	60	HC
Minnesota	A 689,656,932	D 96,542	7,144	6	70	24	NC
Missouri	436,778,659	G 121,419	3,597	10	30	60	C
Montana	54,865,132	17,881	3,068	14	60	26	HC

TABLE I–2—SPECIAL EDUCATION EXPENDITURES AS REPORTED BY SELECTED STATES—Continued

[19th annual report to Congress; Section I—The costs of special education]

State	Total special education expenditures*	Associated special education student count**	Average State-defined special education expenditure per student	Percentage of support by source			Confidence in data
				Federal	State	Local	
Nevada	202,369,114	24,624	8,218	4	40	56	C
New Mexico	B 250,000,000	45,364	5,511	9	90	1	SC
North Carolina	C 344,809,332	142,394	2,422	15	76	9	HC
North Dakota	54,560,122	12,180	4,479	10	31	59	SC
Rhode Island	147,300,000	25,143	5,858	5	36	59	HC
South Dakota	61,618,034	15,208	4,052	13	49	38	HC
Vermont	79,155,945	H 10,131	7,813	5	39	56	HC
Virginia	608,692,266	D 129,498	4,700	9	23	68	C
Wisconsin	A 630,000,000	95,552	6,593	6	62	32	C
Total for all reporting States	13,929,607,674	2,581,905	5,395	7	53	40	
Total for highly confident or confident States	9,514,260,326	1,750,477	5,435	7	44	49	

*States reported for the 1993–94 school year except as designated below

**Count of students reported by the State associated with the reported total expenditure; includes age range 3–21 except as designated below

A 1992–93 B 1994–95 C 1990–91 D Includes age range 0–22 E Includes age range 0–21 F Includes age range 0–26 G Includes age range 3–22 H Includes age range 5–22.

Confidence in Data.

HC—Highly confident SC—Somewhat confident C—Confident NC—Not confident

Source: CSEF Survey on State Special Education Funding Systems, 1994–95.

Mr. DODD. Mr. President, it is unfortunate, in a sense, to begin this dialog with such a piece of legislation that my friend from Georgia has offered, which I think is not well conceived in terms of the impact it could have, if we chose to dedicate it to special education.

While education may be the issue foremost in the minds of the American public, I highly doubt that the public has this legislation before us this morning in mind when they think of ways the Federal Government could be helping to improve our schools in this country.

Education savings accounts, as proposed in this legislation, represent, in my view, bad education policy, bad tax policy, and a waste of valuable Federal resources that could be so helpful if directed to public schools and special education needs. In fact, the legislation offered by our friend and colleague from Georgia offers very little to public schools.

Remember, there were 55 million kids in this country getting up and going to school a couple of hours ago. They went off to elementary and secondary schools this morning across the country; 5 million went to a private or parochial school; 50 million went to a public school. Even if we try to take every kid out of a public school and put them in a private school, they would not fit. The overwhelming majority of kids who went to school this morning went to a public school. Certainly, while we bear a responsibility to try to improve the quality of education for all children, we certainly have a unique and special responsibility to see to it that public education gets our undivided attention—at least the majority of our attention on this issue, not at the exclusion of the others.

Certainly, we have a very high degree of responsibility to see that these children are going to get the quality education they deserve. According to the Joint Tax Committee, not a partisan committee, the average benefit per child in public school would be approximately $20.50 over 5 years. I ask the question: How is the family of a public school student going to improve their child's education environment with an average benefit of $5 a year? I believe, however, that we can salvage the bill before us and make a real contribution to the work of teachers, parents, and our communities.

My amendment simply does the following: It takes the $1.2 billion in this proposal and sends it down instead to local schools to help meet the costs of special education. This straightforward proposal offers an alternative to the underlying legislation, which will make a real difference, in my view, in education and in our schools.

Upon the enactment of the Individuals With Disabilities Education Act in 1975, the Federal Government committed to our State and local governments around this country—to all 50 States—that it would contribute—we would, the Federal Government would, the Congress would—40 percent of the funds needed to provide special education services. That was 25 years ago we made that commitment.

Presently, the Federal contribution for special education is 12.7 percent of their special education costs. And that varies from State to State. The Federal contribution to special education has never risen above 13 percent. The Federal Government, today, would need to boost its IDEA funding an estimated $15.8 billion to live up to its original commitment to our Nation's special needs children in our districts and States across the country.

The amendment I offer this morning would redirect the $1.2 billion over 5 years spent by the Coverdell initiative to IDEA. These funds would directly aid State and local school districts in providing the critically important special education services children with disabilities deserve.

I often hear from school and town officials in my State of Connecticut—as I am sure the Presiding Officer does in Idaho, and my colleague from Georgia does as well—about the high costs associated with providing special education services. Our local school districts are struggling to meet the needs of their students with disabilities which at times can be overwhelming to smaller rural communities. In Connecticut, the State spends more than $700 million annually, or 18 percent of the State's overall education budget, to fund special education programs. In Torrington, CT, special education costs recently increased from $635,000 to $1.3 million over a two year period. Torrington is a relatively small, midsized, urban community in my State. It is not Hartford, Bridgeport, New Haven, or Stamford. Torrington is a small town. $1.3 million in that small town's budget goes to provide special education services. However, for my part, I believe the issue is not that special education services may cost too much. They are clearly a good investment, in my view, over the long term. Rather, the issue is that the Federal Government contributes too little.

Congress passed the IDEA legislation. I believe Congress should fulfill its commitment to our Nation's special needs children and our communities by increasing its share, as we committed to do, of special education costs before we enact legislation proposals such as the one before us that do nothing, in my view, to improve the quality of our public schools.

Over the last few years, this body has greatly strengthened the federal commitment to children with disabilities. Since fiscal year 1998, Congress has increased special education funding by 25 percent. However, that money is spread thinly across 50 States.

Despite the Federal Government's recent increases in its support for special education services, the cost of providing these services has risen dramatically in recent years. Our recent increases in funding are not keeping pace with increased costs. Today, providing special education services to a child with a disability costs about 2.3 times that of regular education. Special education spending grew 19 percent of all school spending in 1996 across the country.

Thus, changes in enrollment in special education programs in recent years is also a key factor behind increases in costs for special education programs. In the last 5 years alone, schools' special education enrollment has increased by 12.6 percent. Today, 1 out of every 10 students in public schools receives special education services under the IDEA legislation.

In my own State of Connecticut, approximately 14 percent of all students are enrolled in special education programs. Our State and local school districts need our help. The amendment I am offering today moves us in the right direction.

According to a 1996 Gallup poll, 47 percent of those surveyed said America is spending too little of its education budget on students with special needs. Only 5 percent of those surveyed reported that too much is being spent on special needs children. The amendment I offer Senator COVERDELL's legislation would address this public concern.

By increasing the Federal contribution to States for special education services, I believe we will greatly aid State and local school districts by allowing them to reduce the disproportionate share of special education services they have had to carry for far too long. When school districts are forced to increase the amount of funds for special education, they are often forced to raise taxes or reduce funding for nonspecial education programs. These school districts need our help. More importantly, though, children with disabilities need our help more.

Demonstrating the importance of special education funding to our States, the National Governors' Association—again, I refer to the letter behind me to the Senate Budget Committee chairman—asks Congress to fulfill its commitment to special education funding before "funding new tax initiatives or tax cuts" such as being proposed by the Coverdell proposal.

Additionally, the National School Boards Association letter dated February 23 to all Senators says, "Rather than create a tax benefit for a select few, applying these funds to special education would benefit more taxpayers and public schools" across the country.

We often like to talk in this body about what the public wants and what they need. Yet here we have the National School Boards Association, those who every day have to make the tough choices deciding how to operate our schools across the Nation, asking us not to enact tax relief that would only benefit a select few and telling us what our children really need—better qualified teachers, smaller class sizes, and more funds for special education.

Today, I hope as we come back later in the afternoon to this amendment that our colleagues will rally behind us. We could accomplish a great deal. It would be a major first step in coming together in a bipartisan way to do something about which all of us have talked to our States about for many years, and that is to be a better partner when it comes to educating children with special needs. We have not been the full partner we promised to be. The costs are going up, and the local taxpayer is being saddled with that burden.

We have an obligation and I think a responsibility. We can live up this obligation this afternoon by voting for this amendment and saying that the $1.2 billion in this proposal we will given back to our States to give to these children, to these mayors, to the county executives, and to our Governors to see to it that these children and our communities will have an opportunity to meet those responsibilities.

I see that the hour for us to recess is about at hand. I will not delay the proceedings of the Senate any longer except to note that I will come back this afternoon to talk about this further and invite my colleagues to come forward on both sides of the aisle to engage in this discussion. We haven't had many votes this year. We haven't had much of an opportunity in this Congress to express what we think the priorities of the American public are and how we can fulfill them. But we all know education is right at the top of American's priorities, indicating that the American public wants this Congress, their Government, to pay attention to the needs of the educational responsibilities in our country. I think we have a chance to do that today with this amendment.

Presently, we only contribute 7 cents out of every dollar to education. Ninety-three cents comes from local and State taxes. Seven cents comes from Washington DC. But here we have a chance, with our 7 cents, if you will, to do something meaningful for our States and meaningful for these families and children with special education needs.

My sincere hope is that when the opportunity arises for us to answer the rollcall on how we stand on this issue, this body will vote overwhelmingly in support of this amendment and do something very meaningful today with a message we can give our Governors as they go back to their States, and say, Congress is a partner when it comes to special education needs.

I yield the floor. I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, I will have a good bit to say about this most recent presentation by the Senator from Connecticut. Now is not the time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, it is my understanding by previous order we are to recess at 11.

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 11 a.m. having arrived, the Senate stands in recess until 2:15.

Thereupon, at 11:01 a.m., the Senate recessed until 2:16 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. INHOFE).

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AFFORDABLE EDUCATION ACT OF 1999—Continued

Mr. COVERDELL. Mr. President, I ask unanimous consent that the time between now and 4 p.m. be consumed in an equally divided fashion for debate on the pending Dodd amendment, and at 4 p.m. the Senate vote in relation to the Dodd amendment. I further ask consent that following the vote, the Senate resume consideration of the Collins amendment No. 2854.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, I further ask unanimous consent that following the disposition of the two above-described amendments, Senator ROBB be recognized to call up an amendment regarding school construction.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, in light of this agreement, Members of the Senate should note that the next vote will occur at 4 p.m., and a second vote regarding the Collins amendment will occur shortly thereafter.

AMENDMENT NO. 2857

Mr. COVERDELL. Mr. President, while the other side is preparing further remarks about their amendment, I want to make it very clear that the amendment offered by the Senator from Connecticut would, one, make moot the principal core of this legislation, the education savings account. It just wipes it out. No. 2, I wish to make the point that he is making moot an issue that has received extensive bipartisan support in the Senate.

The principal coauthor of the education savings accounts is Senator TORRICELLI of New Jersey. When this

·NSBA· ISSUE BRIEF

Vouchers—Children Lose, Taxpayers Lose

★ The Issue

Proposals to create private and parochial school vouchers threaten to siphon scarce public resources away from our nation's public schoolchildren. Descriptions of these voucher proposals vary from "portability" to "parental choice," to "opportunity scholarships," and "tuition tax credits." The proposals also differ in terms of recipients and scope; however, each ultimately uses public money and tax revenues for private school tuition. Furthermore, many private and parochial schools are free to discriminate based on educational needs, parental involvement, race, and religion. Any voucher proposal will drain money, time, and attention from improving public schools. Voucher plans stand to impact a select few and leave the majority of public school students in schools with fewer resources.

★ Legislative Status

- **Senator John McCain's (R-AZ) Amendment to the Taxpayer Refund and Relief Act of 1999**—This would have created a three-year national voucher program to give parents in low-income families choice among public, private, and religious schools for their children. The amendment would have authorized $1.8 billion annually for the Fiscal Years 2001-2003 to provide vouchers. The amendment was defeated in the Senate by an 87-13 margin.

- **Education Savings Accounts**—This legislation would allow parents, friends, and families to donate a maximum of $2,000 per child annually to a K-12 Education IRA account. The money and interest that is accumulated may be withdrawn without a penalty to pay for a myriad of educational expenses, many of which are typically associated with private and parochial schools. For example, allowable expenses include tuition, school uniforms, tutoring, transportation, etc. This legislation removes public tax revenues from the treasury and provides a tax credit for families to send their children to private and parochial schools. The Senate passed S. 1134, the Affordable Education Act, to expand education savings accounts on March 2, by a 61-37 margin. President Clinton has vetoed similar legislation in the past.

- **Senator Orrin Hatch's (R-UT) Amendment to S. 625, the Bankruptcy Reform Act of 1999**—This amendment states that if a student is eligible to be served under a Title I targeted assistance or a schoolwide program, and becomes a victim of a violent criminal offense, including drug-related violence, while in or on the grounds of a public elementary school or secondary school, the local education agency may use funds to pay the supplementary costs for the student to attend another school. The student may attend any other public or private school, including a religious school, in the same state as the school where the criminal offense occurred that is selected by the student's parent. The state education agency would determine what constitutes a violent criminal offense. This amendment passed by a 50-49 margin. S. 625 passed the Senate on February 2 by an 83-14 margin. Conferees in the House and Senate are now considering this issue.

- **Representative Thomas E. Petri's (R-WI) Amendment to H.R. 2, the Student Results Act**—This amendment would allow the portability of Title I funds. Specifically, the provision would allow Title I funds to be used for private school vouchers in ten states. The amendment was defeated in the House by a 271-153 margin on October 21, 1999.

- **Senator Judd Gregg's (R-NH) Title I Portability Amendment to Senate Health, Education, Labor, and Pensions Committee Markup of ESEA**—This amendment makes Title I funds available on a per child basis. It also allows for public money to be paid directly to a tutorial provider that could include private and religious schools. In addition, the amendment imposes an administrative burden to school districts because they will not be able to plan their budgets if they do not know how many students will stay at their schools or opt to take their allotments to an outside provider. This amendment passed the committee by a 9-8 margin.

- **Senator Judd Gregg's (R-NH) Amendment to the Senate Health, Education, Labor, and Pensions Committee Markup of ESEA**—This amendment allows up to 15 states to enter into a five-year performance agreement with the U.S. secretary of education. Approximately 13 programs could be consolidated (including Title I), and funds may be used for any elementary and secondary educational purpose permitted by state law of the participating state. This could open the door to vouchers—because in a state like Florida, vouchers are allowed under state law. This amendment passed the committee by a 9-8 margin.

- **District of Columbia Public School Vouchers**—This proposal would authorize $45 million over five years to create a board that would distribute as much as $3,200 per year in vouchers per child for 2,000 of Washington, D.C.'s poorest public school students. The $3,200 voucher could be used to send these children to private schools in the metropolitan D.C. area. This legislation is not a choice; private schools can still select which students they will admit. In addition, this voucher proposal would only impact three percent of students, leaving the remaining 75,000 D.C. public school students competing for fewer resources. This issue may be revisited in the second session of the 106th Congress.

★ NSBA Position

Congress faces a fundamental choice—provide vouchers for a few students or improve public schools for all students. Nearly 90 percent of America's schoolchildren learn in our public schools. Draining badly needed money from our public schools could undermine the education of children in school systems that do not have money to improve public schools, hire more teachers, reduce class sizes, put more computers in the classroom, or implement other proven reforms. For example, in Ohio, taxpayers spent $8.7 million on vouchers in the Cleveland public schools, when they could have implemented a proven reading program in all 80 of Cleveland's elementary schools for just $4 million. NSBA urges Congress to reject vouchers and work with NSBA to improve, not weaken, the educational opportunities of the 46 million children who are enrolled in public schools.

March 2000

The Washington Post WEDNESDAY, MARCH 15, 2000

School Voucher Plan Struck Down

Florida to Appeal Judge's Ruling

By SUE ANNE PRESSLEY and KENNETH J. COOPER
Washington Post Staff Writers

MIAMI, March 14—A state judge today struck down as unconstitutional Florida's year-old program of school vouchers, the first statewide system that allows students to escape failing public schools and enroll in private institutions.

The ruling by Circuit Judge L. Ralph Smith Jr. in Tallahassee directly concerns 53 students who formerly attended two public elementary schools in Pensacola, the only Florida schools that so far have been labeled as failing, but has the potential to affect thousands of the state's estimated 2 million public school students who would otherwise become eligible for vouchers in a few months.

"Tax dollars may not be used to send the children of this state to private schools," Smith ruled. His decision was based on a 1998 amendment that Florida voters added to the state constitution declaring an "efficient, safe, secure and high-quality system of free public schools" to be "a paramount duty of the state."

The ruling joins the mixed verdicts on voucher programs that state and federal courts have handed down around the country. Last December, a federal judge held a voucher program in Cleveland unconstitutional, but allowed participating students to continue in private schools while his decision is appealed to the Sixth Circuit.

So far the U.S. Supreme Court has not ruled directly on the issue, but has let three lower court decisions stand—two upholding voucher programs in Milwaukee and Cleveland, and another prohibiting vouchers for religious schools in Vermont.

In Florida, Smith permitted the Pensacola students to complete the school year in their private schools. The state plans an appeal, either to a state appeals court or Florida's Supreme Court.

"Florida's residents have made it clear they want an efficient, well-funded public school system. This voucher scheme undermined that goal," said Barry W. Lynn, executive director of Americans United for Separation of Church and State, which helped prepare the lawsuit.

The Florida law, which the legislature approved in April 1999, had been championed by Gov. Jeb Bush (R), who expressed his disappointment today with Smith's decision.

"For decades, millions of state dollars have been spent each year to provide private education to children" with disabilities and other special needs, Bush said. "No one has ever claimed that this spending is unconstitutional, yet this opinion clearly suggests that it is under the new constitutional language Florida voters adopted in 1998. In my view, this is a gross distortion of the Florida constitution, and will be reversed by the higher courts."

Clint Bolick, litigation director for the Institute for Justice, which represents the Pensacola voucher students in the case, argued that Smith misinterpreted the state constitution's guarantee of a quality public education.

"To keep these kids in failing schools is turning the constitution on its head," Bolick said. "We believe a good education at a private school fulfills the goals of public education more than a bad education at a public school."

Bolick said the voucher program could continue—and even expand— because a court decision declaring a Florida law unconstitutional is automatically suspended as soon as the state government appeals.

Under the Florida plan, students at schools that twice receive failing marks on an annual statewide test and other performance measures could use the school district's per pupil expenditure—an "opportunity scholarship" of up to $3,389 a year—to enroll in another public, nonsectarian or religious school. So far, only the Pensacola students have participated, but students at many more schools likely would become eligible when the new school ratings are released in May.

School voucher programs are controversial because they divert funds from public schools and, in the opinion of opponents, violate the constitutional mandate of separation of church and state. The Florida lawsuit was filed last June by a coalition of groups including the NAACP, the Florida PTA and the American Civil Liberties Union.

FILE PHOTO/REUTERS

Florida Gov. Jeb Bush (R) predicted judge's ruling will be reversed.

The ruling is likely to attract more attention to the issue of school vouchers in the presidential campaign. Texas Gov. George W. Bush (R) the likely Republican nominee, has proposed tapping the federal Title I program to fund vouchers for disadvantaged students attending failing schools, while Vice President Gore has opposed vouchers in any form.

"This will set Republican leadership and Democrats in stark contrast on the voucher issue during the election cycle, and that's what I think [both sides] want to do," Lynn said.

But vouchers appear to have limited appeal as a campaign issue. A recent bipartisan poll, for instance, concluded that the idea "elicits little energy from the electorate" compared to other education reform proposals.

Special Education

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ISSUE BRIEF

Special Education—Honoring the Federal Commitment

• Introduction

When the Individuals with Disabilities Act (IDEA) was originally enacted in 1975, and reauthorized in 1997, the federal government made a commitment to pay for 40 percent of the excess cost of its special education mandate. Over the years, the federal appropriations have ranged from seven percent to 12 percent of the total excess cost—well less than 1/3 of its 40 percent obligation. In recent years, members of Congress have proposed plans and funding increases intending to reach the full federal share. The purpose of this paper is to determine the dollar level that is necessary to reach the 40 percent federal share, and to propose a multi-year plan to raise the federal share to that amount.

• Today's Federal Share: $17.1 Billion

While children with disabilities present a broad range of costs, in the aggregate, the cost of special education is 2.1 times the cost of regular education. The average per pupil expenditure in the United States was nearly $6,600 in the 1998-99 school year (National Center for Educational Statistics). Hence, the average cost for students in special education would equal $6,600 x 2.1 or $13,860. The average *excess* cost—over and above the $6, 600 spent in regular education—is $7260 per pupil. Since IDEA covers at least 5.9 million children aged 3-21, the total excess cost equals $7260 per student multiplied by 5.9 million students—or $42.8 billion. Based on these figures, 40 percent of $42.8 billion identifies a current federal obligation to be nearly $17.1 billion today.

• Reaching the Federal Obligation: Inadequacy of Recent Funding Increases

IDEA now provides $4.9 billion in basic grant funding to local school districts--about $12 billion less than its 40 percent obligation. Last year, Congress appropriated a $679 million increase for Part B grants in IDEA.

Last year's funding increase takes on a striking prospective of inadequacy when viewed as a long-term commitment. For example, if the IDEA appropriation were increased by $600 million every year, and if special education costs in school districts *never* increased (in reality, special education is the fastest growing area of most school budgets), it would require 20 years to reach full funding.

• Rising Costs in Special Education

The cost of special education is rising. Each year, school districts spend 38 cents of each new tax dollar on special education (Economic Policy Institute, 1995). This trend will continue for several reasons. First, special education costs frequently involve health-related expenditures and the use of new technologies—both are areas of high-cost increases. Second, the 1997 IDEA amendments pose new costs on school districts, as will new court decisions, which typically hold that school districts must increase their service responsibilities. (For example, in 1999, the U.S. Supreme Court decision in *Cedar Rapids v. Garret* held that school districts must pay the cost for a nurse to monitor students' breathing ventilators.) Third, the total number of students served by IDEA is rising. The number of children aged 3-21 identified for special education services was 5.4 million in 1994-95. For the 1998-99 school year the number of children served is 5.9 million.

If total special education costs increase by the conservative estimate of five percent per year, the total cost would be more than $69 billion in ten years. The current $17.1 billion federal obligation would therefore rise to slightly more than $27 billion.

OFFICE OF ADVOCACY

National School Boards Association ■ 1680 Duke Street ■ Alexandria, Virginia 22314-3493 ■ (703) 838-6722 ■ Fax: (703) 548-5613 ■ http://www.nsba.org

- **A Ten-Year Plan—$2.2 Billion Per Year**

The central purpose of IDEA is to ensure that nearly six million children aged 3-21 will have resources available to them so that they can have the opportunity to lead high-quality lives as productive members of their community. Hence, the case for Congress to fully fund special education is more than an obligation to fund a federal mandate; it has a larger economic and social dimension as well. Ten years from now, IDEA and the federal government's commitment to fund 40 percent of the excess cost will have been on the books for more than thirty years. It would seem reasonable, practical, and responsible to provide full funding by that date.

Assuming a five percent annual growth rate in special education costs, IDEA funding will need to be increased by $22 billion (current federal support is approximately $5 billion)—or an average of $2.2 billion per year—to reach $27 billion and fulfill the 40 percent promise.

- **IDEA and the Federal Role in Education**

Clearly federal support is crucial to addressing the needs of children with disabilities. However, our public schools face many dramatic challenges—record enrollments, more children in poverty, teacher shortages, and the need to provide modern, technology-equipped schools. At the same time, our schools are striving to institute innovative programs to ensure that all students achieve high standards to succeed in the 21st century. Meeting these challenges demands a true federal, state, and local partnership and a strong federal investment in public education. Simply increasing federal funds for special education will not replace the vital federal role in that partnership for all children. Under current law, only 20 percent of any new federal special education dollars can supplant local funds. Moreover, with special education needs rising, many districts will need to apply all increases in their special education program to keep up with rising costs. Therefore, a fully funded special education program is needed along with federal investments to assist all students.

January 2000

·NSBA· ISSUE BRIEF

Juvenile Justice/Special Education

★ Legislative Status

- **Senate**—The U.S. Senate approved an amendment to increase student safety as part of the Violent and Repeat Juvenile Offender Accountability and Rehabilitation Act of 1999 (S. 254). The amendment, sponsored by Senators Bill Frist (R-TN) and John Ashcroft (R-MO), would amend the Individuals with Disabilities Education Act to provide school officials with the discretion to remove or expel special education students on the same basis as other students who bring **firearms** to school. In this special situation, school districts would also have the option to determine whether to continue to provide educational services to the students during this time period. This amendment was passed with overwhelming bipartisan support.

  Unfortunately, a compromise was reached with opponents of this measure, with the passage, by voice vote (no recorded vote) of a second amendment. This amendment, sponsored by Senator Tom Harkin (D-IA), would require local school officials in conjunction with other local groups (including social service providers, law enforcement, counselors, etc.) to provide immediate intervention and all necessary services to **any** child who is suspended or expelled for any violent action or threat. This would include bringing a weapon to school. Most of the costs and oversight responsibility to implement this mandate would fall on the local school district.

- **House**—The U.S. House of Representatives approved a slightly broader amendment to increase student safety as part of the Consequences for Juvenile Offenders Act of 1999 (H.R. 1501). The amendment sponsored by Representatives Charles Norwood (R-GA) and Bob Barr (R-GA) would amend the Individuals with Disabilities Education Act to allow school officials to discipline students receiving special education services in the same manner as other students when guns or **weapons** are involved. This amendment also passed by a significant bipartisan majority.

- **Current Status**—Both the Senate (S. 254) and the House (H.R. 1501) passed their respective versions of the bill and a conference committee has been appointed to reconcile the differences between the two bills. Gun control is one of the principal sticking points in this legislation and differences over these provisions is one of the reasons that the legislation has not been reported out of the committee. While the conferees are negotiating potential compromises, NSBA is urging conferees to support the broader Norwood/Barr amendment to include "weapons" not just "firearms."

An effort will be made to modify the Harkin amendment to include more provisions for assistance and services for all children who engage in violent behavior or bring weapons to school. Senators Edward M. Kennedy (D-MA) and Patrick Leahy (D-VT) will likely sponsor this amendment. The proposals being discussed include mandatory counseling and continuing educational services for all students during the length of their suspension or expulsion. The local school district would have "lead agency status," which would ultimately mean that school districts would pay a significant share of the costs (not including the administrative component) and coordination for all children (not just special education children), who would typically be provided this service. NSBA is strongly opposed to this mandate and has worked to prevent the amendment from being included in the conference committee report. Please review the enclosed conference committee list and see if your member is appointed. If so, please urge them to adopt the House special education language and oppose the Kennedy/Leahy mandate that will impose significant costs and service mandates on the currently under-funded special education portion of local district's budget.

January 2000

Juvenile Justice Conference Committee

U.S. House of Representatives Conferees

Bob Barr (R-GA)
Howard L. Berman (D-CA)
Michael Bilirakis (R-FL)
Tom Bliley (R-VA)
Charles T. Canady (R-FL)
Michael N. Castle (R-DE)
William L. Clay (D-MO)
Howard Coble (R-NC)
John Conyers Jr. (D-MI)
Jim DeMint (R-SC)
John D. Dingell (D-MI)
Barney Frank (D-MA)
George W. Gekas (R-PA)
William F. Goodling (R-PA)
James C. Greenwood (R-PA)
Henry J. Hyde (R-IL)
Sheila Jackson Lee (D-TX)
Dale E. Kildee (D-MI)
Zoe Lofgren (D-CA)
Carolyn McCarthy (D-NY)
Bill McCollum (R-FL)
Martin T. Meehan (D-MA)
Thomas E. Petri (R-WI)
Robert C. Scott (D-VA)
Lamar S. Smith (R-TX)
W.J. 'Billy' Tauzin (R-LA)

U.S. Senate Conferees

Orrin G. Hatch (R-UT)
Edward M. Kennedy (D-MA)
Patrick J. Leahy (D-VT)
Jeff Sessions (R-AL)
Strom Thurmond (R-SC)

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- Michael A. Resnick
  Associate
  Executive Director

Dear Federal Network Member:

Thank you for your commitment to public education. We need your assistance!

The National School Boards Association and the National Campaign to Fully Fund IDEA are seeking the collection of one million signatures on copies of the enclosed National Petition. These petitions are in the hands of dedicated individuals across the country and will be presented to the president of the United States and the United States Congress. As you will note, the National Petition requests fully funding the Individuals with Disabilities Education Act (IDEA), particularly Part B (grants to the states), at the promised level of 40 percent within the next several months.

Please copy and circulate this petition throughout your school district and community with the help of your superintendent. We need the support of education advocates and professionals such as administrators, parent groups, teachers, school employees, and business officials. After collecting signatures, please identify the member(s) of Congress who represents your school district, and indicate his or her name(s) in the box at the bottom right corner of the form. Once you mail the signed petitions to NSBA, we will distribute them to your member of Congress, President Bill Clinton, and the entire United States Congress. Please send your signed petitions by **June 30, 2000,** to:

Kathleen Branch
Federal Networks Advocate
National School Boards Association
1680 Duke Street
Alexandria, VA 22314-3493

Please call Kathleen Branch at 703-838-6735, if you have any questions. We look forward to IDEA funding success with your active support. Thank you.

Sincerely,

Michael A. Resnick

Michael A. Resnick
Associate Executive Director

National School Boards Association
1680 Duke Street ▪ Alexandria, Virginia 22314-3493 ▪ (703) 838-6722 ▪ FAX (703) 683-7590 ▪ http://www.nsba.org

National Petition

The National Campaign to Fully Fund IDEA (NCFFI)
and the
National School Boards Association (NSBA)

NCFFI

·NSBA·

We the undersigned, citizens of the United States of America, hereby request that President Bill Clinton and the U.S. Congress fully fund the **Individuals with Disabilities Education Act** at the level of 40 percent as promised in the original legislation. Currently, the federal share is 13 percent. This amount falls far short of the funds needed to assist states in providing special education and related services to students with disabilities.

Printed Name	Signature	City/State/Zip

Please return this sheet by **June 30, 2000**
Kathleen Branch
Federal Networks Advocate
National School Boards Association
1680 Duke Street, Alexandria VA 22314
Telephone: 703-838-6735
Fax: 703-548-5613
E-mail: kbranch@nsba.org

Please indicate your member(s) of Congress in this box:

Thank you for your participation!