

**Fiscal Year 2001 Labor, Health and Human Services
Education and Related Agencies
BA Summary**

\$ in 000s

	2000 Comparable ³	2001 Budget Request ³	House Passed	Senate Passed	Conference	House Above (+), Below(-) FY '00	House Above (+), Below(-) Request
TITLE I - DEPARTMENT OF LABOR¹	13,090,684	14,329,276	12,626,598	13,409,013	13,602,498	-464,086	-1,702,678
Discretionary Program Level	11,226,901	12,403,726	10,701,048	11,483,463	11,676,948	-525,853	-1,702,678
Adult Job Training ¹	950,000	950,000	857,000	950,000	950,000	-93,000	-93,000
Youth Job Training	1,000,965	1,022,465	1,000,965	1,000,965	1,000,965	0	-21,500
Dislocated Worker Assistance ¹	1,589,025	1,770,510	1,382,025	1,589,025	1,589,025	-207,000	-388,485
Job Corps ¹	1,357,776	1,393,044	1,400,000	1,363,783	1,400,000	+42,224	+6,956
Youth Opportunity Grants	250,000	375,000	175,000	250,000	250,000	-75,000	-200,000
School-to-Work (ED & Labor Dep'ts.)	110,000	-	-	-	-	-110,000	0
Comm. Service Employment for Older A	440,200	440,200	440,200	440,200	440,200	0	0
One-Stop Career Centers	110,000	154,000	-	110,000	110,000	-110,000	-154,000
OSHA -- Total	381,620	425,983	381,620	425,983	425,983	0	-44,363
OSHA Federal Enforcement	141,000	153,073	139,229	153,073	152,073	-1,771	-13,844
OSHA State Programs	82,000	88,493	83,771	88,493	88,493	+1,771	-4,722
MSHA	228,057	242,247	233,000	244,747	244,747	+4,943	-9,247
Bureau of Labor Statistics	433,877	453,632	440,000	446,584	446,584	+6,123	-13,632
TITLE II - DEPT. OF HEALTH & HUMAN	241,031,247	258,864,945	257,696,591	256,029,528	258,521,599	+16,665,344	-1,168,354
Discretionary Program Level	42,281,660	45,040,288	43,876,934	45,304,871	46,701,942	+1,595,274	-1,163,354
Consolidated Health Centers	1,018,700	1,068,700	1,100,000	1,168,700	1,168,700	+81,300	+31,300
Health Professions	341,907	297,959	410,987	230,714	455,987	+69,080	+113,028
Maternal and Child Health Block Grant	709,130	709,130	709,130	709,130	709,130	0	0
Healthy Start	90,000	90,000	90,000	90,000	90,000	0	0
Ryan White AIDS Health Services	1,594,550	1,719,550	1,725,000	1,650,000	1,728,000	+130,450	+5,450
Family Planning	238,932	273,932	238,932	253,932	238,932	0	-35,000
Centers for Disease Control (total)	2,978,711	3,133,587	3,290,369	3,251,996	3,534,225	+311,658	+156,782
Preventive Health Block Grant	179,329	179,250	179,250	178,504	179,370	-79	0
Childhood Immunizations -- includes e	489,875	504,643	504,875	561,914	542,375	+15,000	+232
CDC AIDS Prevention	706,751	734,403	734,403	762,036	734,403	+27,652	0
Tuberculosis	127,728	127,672	127,672	120,721	127,672	-56	0
Sexually Transmitted Diseases	135,734	150,668	150,668	149,903	156,668	+14,934	0
Chronic and Environmental Disease P	375,185	384,554	395,554	397,733	524,476	+20,369	+11,000
Breast & Cervical Cancer Screening	166,495	171,420	171,420	177,495	174,000	+4,925	0
Infectious Diseases	175,610	181,622	181,622	186,000	201,000	+6,012	0
NIOSH	214,652	219,556	214,179	232,833	230,833	-473	-5,377
Epidemic Services	85,858	85,822	210,822	85,738	210,822	+124,964	+125,000
National Center for Health Statistics --	105,000	109,985	105,000	103,912	105,000	0	-4,985
National Institutes of Health (Total)	17,789,336	18,812,735	18,812,735	20,512,735	20,512,735	+1,023,399	0
Mental Health Block Grant	356,000	416,000	416,000	366,000	420,000	+60,000	0
Substance Abuse Block Grant	1,600,000	1,631,000	1,631,000	1,631,000	1,635,000	+31,000	0
Agency for Healthcare Research & Quality-- pr	198,778	249,943	223,649	269,943	269,943	+24,871	-26,294
Medicare Contractors	1,244,000	1,301,287	1,165,287	1,244,000	1,305,000	-78,713	-136,000
Medicare Survey and Certification	204,674	234,147	171,147	219,674	219,674	-33,527	-63,000
Medicare Federal Administration	484,900	497,942	476,942	491,900	491,900	-7,958	-21,000
Low Income Home Energy Assistance --	2,000,000	1,400,000	1,400,000	1,400,000	1,400,000	-600,000	0
Refugee & Entrant Assistance	425,818	432,569	433,109	425,586	433,109	+7,291	+540
Child Care & Development Block Grant -	1,182,672	2,000,000	1,582,672	2,000,000	2,000,000	+400,000	-417,328
Social Services Block Grant (Title XX)	1,775,000	1,700,000	1,700,000	600,000	1,700,000	-75,000	0

	2000 Comparable ³	2001 Budget Request ³	House Passed	Senate Passed	Conference	House Above (+), Below(-) FY '00	House Above (+), Below(-) Request
Head Start ¹	5,267,000	6,267,000	5,667,000	6,267,000	6,300,000	+400,000	-600,000
Runaway Youth -- Total	64,155	74,155	64,155	69,155	69,155	0	-10,000
Child Welfare Services	291,986	291,986	291,986	291,986	291,986	0	0
Community Services Block Grant	527,700	510,000	527,700	550,000	550,000	0	+17,700
Administration on Aging - Supportive Services	310,082	450,082	325,082	325,082	325,082	+15,000	-125,000
Administration on Aging - Nutrition Progr	521,412	521,412	521,412	521,412	521,412	0	0
Adolescent Family Life	19,327	7,627	24,327	19,327	24,327	+5,000	+16,700
TITLE III - DEPT. OF EDUCATION¹	37,944,687	42,494,646	39,542,049	42,674,645	43,150,953	+1,597,362	-2,952,597
Discretionary Program Level	35,605,710	40,094,856	37,142,259	40,274,855	40,751,163	+1,536,549	-2,952,597
Total, Elementary and Secondary Educa	22,942,899	24,826,192	23,518,713	26,087,094	26,561,266	+575,814	-1,307,479
Goals 2000 ¹	491,000	83,000	-	40,000	38,000	-491,000	-83,000
Technology for Education	765,805	903,000	905,000	794,500	905,000	+139,195	+2,000
Title I - Ed. for the Disadvantaged (Gran	7,941,397	8,357,500	7,941,397	8,335,800	8,251,720	0	-416,103
Impact Aid	906,452	770,000	985,000	1,075,000	1,028,000	+78,548	+215,000
Professional Development -- Eisenhowe	335,000	-	-	435,000	435,000	-335,000	0
Education Block Grant ¹	365,750	-	365,750	3,100,000	3,100,000	0	+365,750
Safe and Drug Free Schools - State Gra	439,250	439,250	439,250	447,000	439,250	0	0
Literacy -- program level ¹	260,000	286,000	260,000	286,000	286,000	0	-26,000
Bilingual and Immigrant Education	406,000	460,000	406,000	443,000	443,000	-17M 0	-54,000
Special Education (State Grants) ¹	5,754,685	6,053,252	6,254,685	7,053,252	7,053,252	+500,000	+201,433
Vocational Education -- State Grants ¹	1,055,650	855,650	1,100,000	1,071,000	1,100,000	+44,350	+244,350
Adult Education -- State Grants ¹	450,000	460,000	470,000	470,000	470,000	+20,000	+10,000
Pell Grant -- maximum grant	3,300	3,500	3,500	3,650	3,650	+200	0
Perkins Capital Contribution	100,000	100,000	100,000	100,000	100,000	0	0
TRIO	645,000	725,000	760,000	736,500	760,000	+115,000	+35,000
GEAR UP	200,000	325,000	200,000	225,000	200,000	-125M 0	-125,000
Education Research and Statistics	276,567	325,067	276,567	286,567	286,567	-38+M 0	-48,500
After School Centers	453,377	1,000,000	600,000	600,000	600,000	-400M 146,623	-400,000
Class Size Reduction ¹	1,300,000	1,750,000	-	-	-	-175M 1,300,000	-1,750,000
Teacher Empowerment Act ¹	-	-	1,750,000	-	-	+1,750,000	+1,750,000
TITLE IV - RELATED AGENCIES	38,259,094	40,434,735	40,152,492	40,224,324	40,396,112	+1,893,398	-282,243
Discretionary Program Level	8,112,457	8,770,437	8,488,194	8,560,026	8,731,814	+375,737	-282,243
Armed Forces Retirement Home	68,295	69,832	69,832	69,832	69,832	+1,537	0
Corporation for Public Broadcasting (FY	350,000	365,000	365,000	365,000	365,000	+15,000	0
Domestic Volunteer Service Programs ²	294,521	312,616	294,527	302,504	303,850	+6	-18,089
Institute of Museum and Library Services	166,251	173,000	170,000	168,000	210,300	+3,749	-3,000
Medicare Payment Advisory Commission	7,015	8,000	8,000	8,000	8,000	+985	0
National Educational Goals Panel	2,241	2,350	-	2,350	1,500	-2,241	-2,350
National Labor Relations Board	205,717	216,438	205,717	216,438	216,438	0	-10,721
Railroad Retirement Board Administratio	90,655	92,500	95,000	92,500	95,000	+4,345	+2,500
Social Security Administration (Limit. on	6,607,036	7,134,000	6,978,036	7,010,800	7,134,000	+371,000	-155,964
United States Institute of Peace	12,951	14,450	15,000	12,951	15,000	+2,049	+550

¹ Subcommittee totals include advance funding

² Does not include Americorps which is funded in the HUD/VA bill

³ Totals represent CBO-scored levels



U.S. DEPARTMENT OF EDUCATION

PRESIDENT CLINTON'S FY 2001 EDUCATION BUDGET PROPOSAL COMPARED TO HOUSE AND SENATE ALLOWANCES

"During this period of economic prosperity and budget surplus, we should seize the opportunity to improve our nation's schools. Regrettably, misguided priorities and insufficient resources in the bills adopted today have led the Congress in a different direction. Unfortunately, these actions today invest too little in our schools and demand too little from them. If a bill that fails to address these concerns were to come to me in its current form, I would have to veto it. I look forward to working with Congress to ensure that this bill strengthens our nation's schools and supports and enhances other important national priorities while continuing to honor our commitment to fiscal integrity." President Clinton, May 10, 2000

July 17, 2000

(IN THOUSANDS OF DOLLARS)

Selected Discretionary Education Programs	FY 2000 APPROPRIATION	FY 2001 REQUEST	FY2001 HOUSE	DIFFERENCE FROM THE PRESIDENT'S REQUEST	FY 2001 SENATE	DIFFERENCE FROM THE PRESIDENT'S REQUEST
ACCELERATING CHANGE						
<u>Title I Accountability Grants:</u> Helps States and districts turn-around low-performing schools.	\$134,000	\$250,000	--	-\$250,000	--	-\$250,000
<u>21st Century Community Learning Centers.</u> Funds after-school activities with community partners as part of a community school.	\$453,377	\$1,000,000	\$600,000	-\$400,000	\$600,000	-\$400,000
<u>Reducing Class Size.</u> Third installment in reducing class sizes in grades 1-3 to a nationwide average of 18 to give children more personal attention and get them on the right track. (House and Senate put money in block grants see page 5.)	\$1,300,000	\$1,750,000	--	-\$1,750,000	--	-\$1,750,000
<u>Comprehensive School Reform Demonstrations:</u> Helps schools develop or adapt, and implement, comprehensive school reform programs that are based on reliable research and effective practices.	\$170,000	\$190,000	\$190,000	--	--	-\$190,000
<u>Research, Development and Dissemination.</u> Helps build a knowledge base for improving educational practice.	\$168,567	\$198,567	\$168,567	-\$30,000	\$178,567	-\$20,000
<u>Small, Safe, and Successful High Schools.</u> Supports the restructuring of high schools to create learning environments of no more than 600 students.	\$45,000	\$120,000	\$45,000	-\$75,000	--	-\$120,000
<u>Charter Schools.</u> Stimulates comprehensive education reform and public school choice by supporting the planning and development, and initial implementation of public charter schools.	\$145,000	\$175,000	\$175,000	--	\$210,000	+\$35,000
<u>OPTIONS -- Opportunities to Improve Our Nation's Schools.</u> Stimulates public school reform and public school choice by supporting the planning, development, and implementation of innovative public school choice programs.	NEW	\$20,000	--	-\$20,000	--	-\$20,000
<u>Recognition and Reward.</u> Supports grants to States that demonstrate significant statewide achievement gains and narrow the achievement gap between high- and low-performing students.	NEW	\$50,000	--	-\$50,000	--	-\$50,000

Selected Discretionary Education Programs	FY 2000 APPROPRIATION	FY 2001 REQUEST	FY2001 HOUSE	DIFFERENCE FROM THE PRESIDENT'S REQUEST	FY 2001 SENATE	DIFFERENCE FROM THE PRESIDENT'S REQUEST
<u>CLOSING ACHIEVEMENT GAPS</u>						
<u>Extra Help in the Basics (Title I LEA Grants).</u> Helps disadvantaged students learn the basics and achieve to high standards. (Excludes funds for Title I Accountability Grants, see page one).	\$7,807,397	\$8,107,500	\$7,941,397	-\$166,103	\$8,335,800	+\$228,300
<u>Reading Excellence Act.</u> Helps children learn to read well and independently by the end of the third grade.	\$260,000	\$286,000	\$260,000	-\$26,000	\$286,000	--
<u>Special Education Grants to States.</u> Helps schools & States provide special education and early intervention services.	\$4,989,685	\$5,279,685	\$5,489,685	+\$210,000	\$6,279,685	+\$1,000,000
<u>Indian Education.</u> Supplements the efforts of State and local educational agencies, and Indian tribes, to improve educational opportunities for Indian children.	\$67,000	\$100,500	\$97,765	-\$2,735	\$100,500	--
<u>Indian Education – American Indian Administrator Corps.</u> Helps train and recruit school principals and administrators for areas with high concentrations of American Indian and Alaska Native students.	NEW	\$5,000	--	-\$5,000	\$5,000	--
<u>Indian Education – American Indian Teacher Corps.</u> Supports the training of Indian teachers to take positions in schools that serve concentrations of Indian children.	\$10,000	\$10,000	\$10,000	--	\$10,000	--
<u>Safe and Drug-Free Schools.</u> Helps schools become safe, drug-free learning environments.	\$600,000	\$650,000	\$599,250	-\$50,750	\$642,000	-\$8,000
<u>IMPROVING TEACHER QUALITY</u>						
<u>Bilingual Education.</u> Helps school districts operate high-quality instructional programs to help children learn English.	\$248,000	\$296,000	\$248,000	-\$48,000	\$279,000	-\$17,000
<u>Teacher Quality Enhancement (HEA Title II).</u> Helps recruit and prepare excellent and diverse teachers for America's classrooms.	\$98,000	\$98,000	\$98,000	--	\$98,000	--
<u>INITIATIVES TO IMPROVE TEACHER QUALITY: \$1 BILLION*</u>						
<u>Teaching to High Standards –</u> Helps States and school districts implement the next generation of standards-based reform, including standards-based assessments, curricula, and professional development.	NEW	\$690,000	--	-\$690,000	--	-\$690,000
<u>Hometown Teachers.</u> Provides funds to school districts to encourage high school students to become teachers and to support them in their undergraduate teacher training and their first years in the classroom. Also supports efforts to retain and meet the needs of current teachers.	NEW	\$75,000	--	-\$75,000	--	-\$75,000
<u>Higher Standards, Higher Pay for Teachers.</u> Provides funds to high-poverty school districts to establish teacher peer review programs.	NEW	\$50,000	--	-\$50,000	--	-\$50,000

* \$1 billion for Teaching to High Standards Replaces Goals 2000 (\$458,000) and Eisenhower Professional Development State Grants (\$335,000)

Selected Discretionary Education Programs	FY 2000 APPROPRIATION	FY 2001 REQUEST	FY2001 HOUSE	DIFFERENCE FROM THE PRESIDENT'S REQUEST	FY 2001 SENATE	DIFFERENCE FROM THE PRESIDENT'S REQUEST
<u>Teacher Quality Rewards.</u> Provides reward funds to school districts that have significantly increased the percentage of fully certified and licensed teachers and that have significantly reduced the percentage of secondary teachers teaching out-of-field.	NEW	\$50,000	--	-\$50,000	--	-\$50,000
<u>Transition to Teaching.</u> Supports the Troops to Teachers program and additional efforts to recruit, prepare, and support career-changing professionals as teachers.	NEW	\$25,000	--	-\$25,000	--	-\$25,000
<u>Early Childhood Educator Professional Development.</u> Provides professional development opportunities for early childhood educators and caregivers who work with young children in high-poverty communities.	NEW	\$30,000	--	-\$30,000	--	-\$30,000
<u>School Leadership Initiative.</u> Helps school districts, particularly high-poverty and low-performing districts, to recruit and train superintendents, principals, and other school administrators.	NEW	\$40,000	--	-\$40,000	--	-\$40,000
MODERNIZING OUR SCHOOLS						
<u>School Renovation Loan and Grant Program.</u> (Complements tax-credit bond proposal under the Department of Treasury) (Senate put money in block grant see page 5.)	NEW	\$1,300,000	--	-\$1,300,000	--	-\$1,300,000
<u>Technology Literacy Challenge Fund.</u> Helps provide students and teachers with computers, educational software, telecommunications, and technology training	\$425,000	\$450,000	\$517,000	+\$67,000	\$425,000	-\$25,000
<u>Preparing Tomorrow's Teachers to Use Technology.</u> Helps train new teachers to use technology in the classroom.	\$75,000	\$150,000	\$85,000	-\$65,000	\$125,000	-\$25,000
<u>Community Technology Centers.</u> Funds technology learning centers in low-income communities.	\$32,500	\$100,000	\$32,500	-\$67,500	\$65,000	-\$35,000
REACHING AND COMPLETING COLLEGE						
<u>GEAR UP.</u> Gives disadvantaged students and their families pathways to college through partnerships of middle and high schools, colleges and universities and through state-administered programs.	\$200,000	\$325,000	\$200,000	-\$125,000	\$225,000	-\$100,000
<u>TRIO Programs.</u> Provides education outreach and student support services designed to encourage disadvantaged individuals to enter and complete college.	\$645,000	\$725,000	\$760,000	+\$35,000	\$736,500	+\$11,500
<u>College Completion Challenge Grants.</u> Funds scholarships and intensive summer programs for college students in their first and second years.	NEW	(\$35,000) NON-ADD	--	(-\$35,000) NON-ADD	--	(-\$35,000) NON-ADD
<u>Dual Degree Programs for Minority-Serving Institutions.</u> Helps students at 4-year minority-serving institutions earn dual degrees in five years. Participants would spend 3 years as undergraduates at the minority-serving institution(s) and 2 years at a partner institution, such as a major research university.	NEW	\$40,000	--	-\$40,000	--	-\$40,000

Selected Discretionary Education Programs	FY 2000 APPROPRIATION	FY 2001 REQUEST	FY2001 HOUSE	DIFFERENCE FROM THE PRESIDENT'S REQUEST	FY 2001 SENATE	DIFFERENCE FROM THE PRESIDENT'S REQUEST
<u>Advanced Placement Incentives:</u> Provides grants to States to enable them to expand the pool of students to enroll in advanced placement (AP) courses, to cover part or all of the AP test fees of low-income students, and to prepare teachers to teach AP to interested students in the 9 th and 10 th grades.	\$15,000	\$20,000	\$20,000	--	\$20,000	--
<u>Vocational Education State Grants.</u> Provides formula grants that States, local education agencies, and postsecondary institutions can use to improve vocational education programs and to ensure that individuals with special needs have full access to those programs.	\$1,055,650	\$855,650	\$1,100,000	+\$244,350	\$1,071,000	+\$215,350
<u>Tech Prep Education.</u> Provides grants to States, which provide subgrants to consortia of local educational agencies and postsecondary institutions, to develop links between secondary and postsecondary institutions, integrate academic and vocational education, and better prepare students to make the transition from high school to college and from college to careers.	\$106,000	\$306,000	\$106,000	-\$200,000	\$106,000	-\$200,000
<u>Strengthening Tribally Controlled Institutions (HEA Title III).</u> Supports institutions that serve Native Americans.	\$6,000	\$9,000	\$12,000	+\$3,000	\$15,000	+\$6,000
<u>Strengthening Historically Black Colleges and Universities and Graduate Institutions (HEA Title III).</u> Helps provide equal opportunity and strong academic programs.	\$179,750	\$209,000	\$230,000	+\$21,000	\$209,000	--
<u>Developing Hispanic-Serving Institutions.</u> Helps strengthen colleges with large Hispanic populations.	\$42,250	\$62,500	\$68,500	+\$6,000	\$62,500	--
<u>Learning Anytime Anywhere Partnerships.</u> Supports access to quality postsecondary education for underserved populations through the use of technology.	\$23,269	\$30,000	\$10,000	-\$20,000	\$30,000	--
MAKING COLLEGE MORE AFFORDABLE						
<u>Pell Grants.</u> Provides grant assistance to low-income undergraduate students.	\$7,639,717 Max Grant \$3,300	\$8,356,000 Max Grant \$3,500	\$8,356,000 Max Grant \$3,500	--	\$8,692,000 Max Grant \$3,650	+\$336,000 Max Grant +\$150
<u>Supplemental Educational Opportunity Grants (SEOGs).</u> Provides grant assistance to low-income undergraduate students.	\$631,000 ¹	\$691,000	\$691,000	--	\$691,000	--
<u>Work-Study.</u> Helps undergraduate and graduate students pay for college through part-time work assistance.	\$934,000	\$1,011,000	\$1,011,000	--	\$1,011,000	--
<u>Leveraging Educational Assistance Partnership (LEAP).</u> Provides Federal matching funds for States to support need-based postsecondary student grant assistance.	\$40,000	\$40,000	--	-\$40,000	\$70,000	+\$30,000
<u>Javits Fellowships.</u> Provides merit-based fellowships to doctoral students in the arts, humanities, and social sciences.	\$20,000	\$10,000	\$10,000	--	\$11,000	+\$1,000

¹ Includes \$10 million for victims of Hurricane Floyd.

Selected Discretionary Education Programs	FY 2000 APPROPRIATION	FY 2001 REQUEST	FY2001 HOUSE	DIFFERENCE FROM THE PRESIDENT'S REQUEST	FY 2001 SENATE	DIFFERENCE FROM THE PRESIDENT'S REQUEST
<u>Perkins Loan Cancellations.</u> Provides Federal funds to reimburse institutions for loan cancellations granted to borrowers in exchange for certain public services activities.	\$30,000	\$60,000	\$40,000	-\$20,000	\$75,000	+\$15,000
<u>Graduate Assistance in Areas of National Need.</u> Provides merit-based fellowships to financially need graduate students studying in areas of national need.	\$31,000	\$31,000	\$31,000	--	\$33,000	+\$2,000
<u>FAMILY LEARNING</u>						
<u>Adult Education and Literacy State Grants.</u> Provides adult and family literacy, English as a second language, and other educational programs.	\$450,000	\$460,000	\$470,000	+\$10,000	\$470,000	+\$10,000
<u>House Block Grant.</u> Teacher Empowerment Act (contingent appropriation subject to authorization)	--	--	\$1,750,000	+\$1,750,000	--	--
<u>Senate Block Grant.</u> Innovative education program strategies state grant (Title VI)	\$365,750	--	--	--	\$3,100,000	+\$3,100,000

The Senate and the House Have Not Adopted the President's Major Tax Proposals

Major Education Tax Proposals	FY2001 REQUEST	HOUSE AND SENATE
<u>School Modernization Bonds.</u> Provides new bonds with interest paid by Federal tax credits to help local communities go much further in renovating and building needed schools and address overcrowding.	\$2.4 billion over 5 years	--
<u>College Opportunity Tax Cut.</u> Would cover up to \$5,000 of education expenses in 2001 and 2002 and up to \$10,000 in 2003 and beyond to help make college more affordable for millions of American families.	\$30 billion over ten years	--
		Would deny nearly \$25 billion in additional subsidized bonds to build and modernize 6,000 public schools to accommodate record enrollments and overcrowding and repair crumbling school facilities. Federal tax credits would pay the interest on two types of bonds: School Modernization Bonds (new) and Qualified Zone Academy Bonds (current law). Would augment the existing Lifetime Learning Tax Credit, extending the credit percentage from 20 percent to 28 percent, giving families the choice of taking a credit or a deduction, and increasing the income phase-out ranges to make the benefit available to a wider range of families. The tax cut would phase out at incomes between \$50,000 and \$60,000 for individuals and between \$100,000 and \$120,000 for joint filers.

These proposals will come before the House Ways and Means Committee and Senate Finance Committee for a vote.

Legislative Update

Congressional leaders last week abandoned their plan of hashing out differences between their education spending plan and President Clinton's priorities while in conference. Instead, conferees on the fiscal 2001 education appropriations bill will continue to hammer out legislation that maintains Republican concerns, waiting for the president to veto the bill before negotiating with the White House.

Recent And Upcoming Action ...

Fiscal 2001 Appropriations

H.R. 4577 / S. 2553: The Senate's draft spending bill would boost discretionary funding for the Education Department to a record \$40.2 billion. Included would be a \$2.7 billion funding stream under Title VI of the Elementary and Secondary Education Act (ESEA) that states could use for school renovation, class-size reduction or other purposes. The House budget plan, meanwhile, would raise ED funding by \$1.6 billion, to \$37.2 billion. It would level-fund Title I at \$7.9 billion but boost special education state grants to \$6.3 billion. President Clinton, on the other hand, is seeking \$40 billion for ED, including \$1.3 billion for school repair and expansion and \$1.75 billion to continue the class-size reduction initiative.

Last action: The House passed its bill, 217-214, on June 14 (ED, June 15). The Senate passed its bill, 52-43, on June 30. President Clinton submitted his budget request earlier this year (ED, Feb. 8).

Next action: GOP leaders hope to issue a conference report by the end of the week, before the August recess begins.

Scientific Based Education Research

H.R. 4875: Would make the Education Department's Office of Education Research and Improvement (OERI) an independent agency, with three branches: one for research, one for evaluating ED programs independently, and one that would basically be the National Center for Education Statistics transplanted from ED (ED, July 17).

Last action: Rep. Mike Castle, R-Del. introduced the bill July 18.

Next action: No action is scheduled.

Classroom Modernization Act of 2000

H.R. 4766: Would provide up to \$1.5 billion a year for five years in grants to states that could be used to: modify facilities for disabled students; wire schools for the Internet; remove asbestos; or make repairs for compliance with fire and safety codes. The funds could also be used to buy or renovate buildings for charter schools.

Last action: Rep. Bill Goodling, R-Pa., along with other members of the House Education and the Workforce Committee which he chairs, introduced the bill on June 27.

Next action: No action is scheduled.

School Construction

S. 2890: Would provide states with funds to support school construction.

Last action: Sen. Olympia Snowe introduced the bill on July 19. It was referred to the Senate education committee.

Next action: No action is scheduled.

(more)

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Legislative Update (Cont.)

S hool Repair And Modernization

H.R. 3705: Would provide grants and loans for states to fund \$1.3 billion in s hool repair and modernization for the nation's oldest and most rowded s hools.

Last a tion: House edu ation ommittee Demo rats filed a parliamentary motion to for e debate on the bill (ED, June 9).

Next a tion: Demo rats need at least three GOP signatures to s hedule a markup without the hairman's onsent.

Student Aid For Families Of Slain Poli e

H.R. 2059 / S. 1638: Would expand the eligibility for federal funds to pay ollege tuition for the spouses and hildren of law enfor ement offi ers killed in the line of duty. The bill would extend overage to about 4,000 families of offi ers slain between 1978 and 1997. Current law overs federal offi ers killed after 1992 and state and lo al offi ers killed after 1997.

Last a tion: The House Judi iary Committee on July 11 passed the bill by voi e vote. The Senate on May 15 passed its bill by unanimous onsent.

Next a tion: No a tion is s heduled.

Study Abroad

H.R. 4528: Would authorize the State Department to provide \$1.5 million in grants of up to \$5,000 ea h to ollege students who already re eive federal need-based aid and have been a epted for a year of study by a university outside the United States.

Last a tion: The House passed the bill July 11 by voi e vote. It was referred to the Senate edu ation ommittee.

Next a tion: No a tion is s heduled.

Edu ation Department Audit

H.R. 4079: Would require the General A ounting Offi e to ondu t a omprehensive fraud audit of the Edu ation Department (ED, May 26).

Last a tion: The House passed the bill, 380-19, on June 13, (ED, June 14).

Next a tion: No a tion is s heduled.

Higher Edu ation A t Amendments

H.R. 4504: Would make te hni al amendments to the 1998 Higher Edu ation A t, in luding provisions requiring that students who drop out of s hool pay ba k only 50 per ent of federal edu ation grants (ED, May 26).

Last a tion: On June 13, the bill was passed by voi e vote in the House and was referred to the Senate edu ation ommittee.

Next a tion: No a tion is s heduled.

ESEA Reauthorization

H.R. 2, H.R. 1995, H.R. 2300, H.R. 3616 and H.R. 4141: Would reauthorize programs under ESEA, in luding Title I, Eisenhower grants, edu ation te hnology, Impa t Aid, and bilingual edu ation. Several of the bills ontain provisions aimed at granting in reased "flexibility" to states and distri ts. **S. 2:** Would reauthorize ESEA under one bill. Amendments would allow some states to blo k-grant several programs if they enter a "performan e agreement" with the Edu ation Department; permit some states to dole out Title I funds on a per-pupil basis; and authorize \$15 billion in Title I funding for fis al 2001, almost \$7 billion over the urrent authorization (ED, Mar h 8).

Last a tion: The House on May 15 passed by voi e vote H.R. 3616, its bill to reauthorize the Impa t Aid program (ED, May 17).

Next a tion: Senate Republi ans say debate ould resume on S. 2 on e a "time agreement" is hashed out with Demo rats, but some observers suspe t the bill will be s rapped and programs will be reauthorized under the fis al 2001 edu ation appropriations bill (ED, May 19).

Family Litera y

H.R. 3222: The Litera y Involves Families Together (LIFT) A t would authorize up to \$500 million in fis al 2000 for litera y programs that: involve parents and hildren in the Even Start program; en ourage s hools and distri ts to parti ipate in the program; and promote resear h into effe tive pra ti es and training for instru tors (ED, Nov. 5, 1999).

Last a tion: The House Edu ation and the Workfor e Committee approved the bill by voi e vote Feb. 16 (ED, Feb. 17).

Next a tion: The House may take up the bill this month.

(more)

Legislative Update (Cont.)

Excellent Schools For All Our Children Act

S. 2159: Would amend the Higher Education Act of 1965 (HEA) to provide a achievement-based college scholarships to students in failing schools or failing school districts, and would provide various flexibility measures for school districts.

Last action: Sen. John Ashcroft, R-Mo., introduced the bill this year. It was referred to the Senate education panel March 2.

Next action: No action is scheduled.

21st Community Learning And Successful Schools Act

S. 2219: Would amend ESEA to "provide for community learning and successful schools."

Last action: Sen. Richard Durbin, D-Ill., introduced the bill March 8. It was referred to the Senate education committee.

Next action: No action is scheduled.

High-Stakes Testing Ban

S. 2348: Would effectively ban states from using a single test to determine graduation, grade advancement and other high-stakes decisions. Under the bill, tests or exams could be used as one of several factors in such decisions, but other measures—such as grades and teacher evaluations—would have to figure in as well.

Last action: Sen. Paul Wellstone, D-Minn., introduced the bill April 4 (ED, April 5).

Next action: Wellstone may introduce the bill as an amendment to S.2, if it comes up for debate again this session (ED, May 19).

Fiscal 2001 AmeriCorps Appropriations

Clinton has requested \$533 million to expand AmeriCorps, a \$73 million increase from 2000. AmeriCorps provides participants with a stipend and college tuition vouchers worth up to \$4,725 in exchange for working at nonprofit organizations for one year. Congressional leaders are again this year seeking to eliminate the program, which is contained in **H.R. 4635**, the independent agencies appropriations bill.

Last action: The bill passed the House, 256-169, on June 21 and was referred to the Senate (ED, June 22).

Next action: The Senate Appropriations Subcommittee on Veterans Affairs, Housing and Urban Development will schedule a hearing to mark up the bill.

AmeriCorps Reauthorization

S. 2764 / H.R. 4740: Would reauthorize the AmeriCorps national service program along with other national and community service programs. The bills would also authorize a National Service Trust scholarship program for high school juniors and seniors engaged in community service.

Last action: The Senate and House bills were introduced and referred to committees on June 21 and 23, respectively.

Next action: The Senate version is likely to move first, but no action is scheduled.

Military Recruiters On Campus

S. 2397: Would cut off federal funding to public high schools that curtail or ban access of military recruiters to their campuses.

Last action: Sen. Tim Hutchinson, R-Ark., introduced it April 11 (ED, April 7). It was passed May 11 by the Armed Services Committee as part of its fiscal 2001 appropriations bill and now moves to the floor.

Next action: No action is scheduled.

High-Tech Training

H.R. 3983: Would raise visa-filing fees on temporary foreign worker H-1B visas to provide about \$66 million annually to forgive Stafford Student Loans for science and mathematics in low-income schools, about \$50 million for domestic job training programs, and about \$34 million next year for the Upward Bound Math and Science Program, which helps low-income first-generation students go to college (ED, May 11).

Last action: Reps. David Dreier, R-Calif., and Zoe Lofgren, D-Calif., introduced the bill March 15. The Judiciary panel rejected it May 17 in favor of the similar H.R. 4227, which does not call for raising visa-filing fees and has no education component.

Next action: It could be reconsidered by the Rules Committee, where supporters may attach the education portions. (more)

Legislative Update (Cont.)

Reading Definition Elimination Act

H.R. 4307 / S. 2452: Would provide phonics-based reading instruction to K-4 students, through teacher training, curriculum purchases, annual assessments, teacher bonuses and tuition assistance grants.

Last action: Rep. Bill Goodling, R-Pa. and Sen. Paul Coverdell, R-Ga., introduced the bills the week of April 10.

Next action: No action is scheduled.

National Science Education Acts Of 2000

H.R. 4271-3: Three bills that would support K-12 science teachers and provide incentives for businesses to be involved in science education, through grants, scholarships, panels, professional development and tax credits (ED, April 12).

Last action: Rep. Vernon Ehlers, R-Mich., introduced the bills April 13; H.R. 4271 was referred to the Early Childhood, Youth and Families Subcommittee and the Postsecondary Education, Training and Life-Long Learning Subcommittee. H.R. 4272 was referred to the Education and the Workforce Committee. H.R. 4273 was referred to the Ways and Means Committee.

Next action: No action is scheduled.

Alliance For Technologically Trained Teachers Act

H.R. 2933: Would provide for the tutoring of teachers in the use of classroom technology, and for developing a comprehensive approach to put technologically competent teachers in the nation's schools.

Last action: Rep. John Larson, D-Conn., introduced the bill in September 1999; it was referred to the House Education and the Workforce Committee.

Next action: No action is scheduled.

National Youth Technology Corps Act

H.R. 2934: Would create a "Technology Corps" of volunteers to recruit and organize youths to implement and maintain computer systems for public schools, community centers, public senior centers and libraries.

Last action: Rep. John Larson, D-Conn., introduced the bill in September 1999; it was referred to the Education and the Workforce Committee.

Next action: No action is scheduled.

Information Technology 2000 Act

H.R. 4176 / S. 2345: Would give \$5,000 bonuses to public school teachers who become certified to teach information technology. The "IT 2000 Act" would also provide \$100 million in matching federal grants for partnerships between business and institutions of higher learning to give technology training to workers currently under-represented in the profession.

Last action: Sen. Kent Conrad, D-N.D., introduced the bill April 4 in the Senate Health, Education, Labor and Pensions Committee, while Rep. Jerrold Nadler, D-N.Y., and others introduced a counterpart in the House education committee.

Next action: No action is scheduled.

Training And Education For American Workers Act

H.R. 4402: Would pave the way to funnel an estimated \$63.3 million in increased H-1B visa filing fees to job-training programs and student loan forgiveness for math, science and reading teachers (ED, May 11).

Last action: The bill was approved by the House education committee May 10.

Next action: Committee staff expect the bill to reach the House floor soon.

Student Loan Forgiveness Act

H.R. 4258: Would pay off all federal education loans for teachers who remain in public schools for at least four years, and would grant permanent \$1,000 tax credits to teachers with outstanding student loans (ED, April 20). But teachers would not be eligible for both benefits simultaneously.

Last action: The bill was referred June 12 to the House Postsecondary Education, Training and Life-Long Learning panel.

Next action: None is scheduled. (more)

Legislative Update (Cont.)

Loan Forgiveness For Public Defenders

S. 2423: Would amend the Higher Education Act to expand the existing Perkins Loan forgiveness program for law enforcement officers to include public defense attorneys who work full time.

Last action: Sen. Dick Durbin, D-Ill., introduced the bill April 13.

Next action: No action is scheduled.

Computer Software For Bilingual Education

H.R. 4349: Would provide grants to school districts for obtaining computer software for bilingual education and other purposes.

Last action: Rep. Joe Baca, D-Calif., introduced the bill May 2. It was referred June 12 to the early childhood and the postsecondary education subcommittees.

Next action: No action is scheduled.

Discipline Of Special Education Students

S. 2517: Would allow educators to discipline special education students the same as the rest of the student population in cases involving weapons, illegal drugs and assaults upon teachers.

Last action: Sen. John Ashcroft, R-Mo., introduced the bill May 8. It was referred to the Senate education committee.

Next action: No action is scheduled.

Teacher Retention

H.R. 4406: Would authorize grants to states to encourage teacher retention through bonuses and other methods.

Last action: Rep. Ed Pastor, D-Ariz., introduced the bill May 9. It was referred to the House education committee.

Next action: No action is scheduled.

Scholarships For Future Teachers

H.R. 4486: Would make scholarships available for secondary school graduates or "certified leaders" who demonstrate a commitment to and aptitude for the teaching profession.

Last action: Rep. Heather Wilson, R-N.M., introduced the bill May 17. It was referred to the House education committee.

Next action: No action is scheduled.

Education Savings Accounts

H.R. 7 / S. 1134: Would raise the maximum contribution to tax-free education savings accounts to \$2,000, and expand the expenses toward which funds can be applied to include school uniforms and after-school tutoring, among other things (ED, March 24).

Last action: The Senate on March 2 passed its bill, 61-37. The House considered the bill in March, but temporarily withdrew it (ED, March 23).

Next action: No action is scheduled.

Special Education Funding

H.R. 4055: Would authorize an annual \$2 billion increase in funding for grants to states under Part B of IDEA for the next 10 years (ED, April 13).

Last action: The House passed the bill May 3 on a 421-3 vote (ED, May 4). It was referred to the Senate education committee.

Next action: Officials with the House Appropriations education subcommittee have said they do not have enough money to fund the measure (ED, July 11).

Internet Filtering

H.R. 4600: Would require schools and libraries receiving funds under the federal e-rate program to install Internet filtering software on their computers.

Last action: Rep. Ernest Fletcher, R-Ky., introduced the bill June 8. It was referred June 21 to the House Commerce telecommunications subcommittee.

Next action: No action is scheduled.

10% CBO @ school / better capacity to serve
25% CBO - partnership of school

7% for state
charter change

	FY2000 Appropriations	FY2001 Request	Senate	House
Accelerating Change				
Title 1 Accountability Grants	\$134,000	\$250,000	\$0	\$0
21st Century Community Learning Centers	\$453,377	\$1,000,000	\$600,000	\$600,000
Reducing Class Size	\$1,300,000	\$1,750,000	\$0	\$0
Comprehensive School Reform Demonstrations	\$220,000	\$240,000	\$0	\$190,000
Research, Development and Dissemination	\$168,567	\$198,567	\$178,567	\$168,567
Small, Safe, and Successful High Schools	\$45,000	\$120,000	\$0	\$45,000
Charter Schools	\$145,000	\$175,000	\$210,000	\$175,000
OPTIONS - Opportunities To Improve Our Nation's Schools	NEW	\$20,000	\$0	\$0
Recognition and Reward	NEW	\$50,000	\$0	\$0
Closing Achievement Gaps				
Extra Help in the Basics (Title 1 LEA Grants)	\$7,807,397	\$8,107,500	\$8,335,800	\$7,941,397
Reading Excellence Act	\$260,000	\$286,000	\$286,000	\$260,000
Special Education Grants to States	\$4,989,685	\$5,279,685	\$5,279,685	\$5,489,685
Indian Education	\$67,000	\$100,500	\$100,500	\$97,767
Indian Education - American Indian Teacher Corps	\$10,000	\$10,000	\$10,000	\$10,000
Indian Education - American Indian Administrator Corps	NEW	\$5,000	\$5,000	\$0
Safe and Drug-Free Schools	\$600,000	\$650,000	\$650,000	\$599,250
Elementary School Counseling Demonstration program	\$20,000	\$20,000	\$0	
Improving Teacher Quality				
Bilingual Education	\$248,000	\$296,000	\$279,000	\$248,000
Teacher Quality Enhancement (HEA Title II)	\$98,000	\$98,000	\$98,000	\$98,000
Initiatives to Improve Teacher Quality: \$1 Billion				
Teaching to High Standards	NEW	\$690,000	\$0	\$0
Hometown Teachers	NEW	\$75,000	\$0	\$0
Higher Standards, Higher Pay for Teachers	NEW	\$50,000	\$0	\$0

200

800

220

90-100

Cave

Project SERV
12 million

Fill back
Senate #

500

JB

Scene
begin

possible
600

Strategic
Assessment
Cave

Test (R)

from 2003 Test

Classroom

(RIT)

EPIC

EPIC

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Teacher Quality Rewards	NEW	\$50,000	\$0	\$0
Transition to Teaching	NEW	\$25,000	\$0	\$0
Early Childhood educator Professional Development	NEW	\$30,000	\$0	\$0
School Leadership Initiative	NEW	\$40,000	\$0	\$0
Modernizing Our Schools				
School Renovation Loan and Grant Program	NEW	\$1,300,000	\$0	\$0
Technology Literacy Challenge Fund	\$425,000	\$450,000	\$425,000	\$517,000
Preparing Tomorrow's Teachers to Use Technology	\$75,000	\$150,000	\$125,000	\$85,000
Community Technology Centers	\$32,500	\$100,000	\$65,000	\$32,500
Reaching and Completing College				
GEAR UP	\$200,000	\$325,000	\$225,000	\$200,000
TRIO Programs	\$645,000	\$725,000	\$736,500	\$760,000
College Completion Challenge Grants	NEW	\$35,000	\$0	\$0
Dual Degree Programs for Minority-Serving Institutions	NEW	\$40,000	\$0	\$0
Advanced Placement Incentives	\$15,000	\$20,000	\$20,000	\$20,000
Vocational Education State Grants	\$1,055,650	\$855,650	\$1,071,000	\$1,100,000
Tech Prep Education	\$106,000	\$306,000	\$106,000	\$106,000
Strengthening Tribally Controlled Institutions (HEA Title III)	\$6,000	\$9,000	\$15,000	\$12,000
Strengthening Historically black Colleges and Universities (HBCUs) and Graduate Institutions (HBGIS) (HEA Title III)	\$179,750	\$209,000	\$209,000	\$230,000
Developing Hispanic-Serving Institutions	\$42,250	\$62,500	\$62,500	\$68,500
Learning Anytime Anywhere Partnerships	\$23,269	\$30,000	\$30,000	\$10,000
Making College More Affordable				
Pell Grants	\$7,639,717	\$8,356,000	\$8,692,000	\$8,356,000
Supplemental educational Opportunity Grants (SEOGs)	\$631,000	\$691,000	\$691,000	\$691,000

211

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75,000

Work-Study	\$934,000	\$1,011,000	\$1,011,000	\$1,011,000
Leveraging Educational Assistance Partnership (LEAP)	\$40,000	\$40,000	\$70,000	\$0
Javits Fellowships	\$20,000	\$10,000	\$11,000	\$10,000
Perkins Loan Cancellations	\$30,000	\$60,000	\$75,000	\$40,000
Graduate Assistance in Areas of National Need	\$31,000	\$31,000	\$33,000	\$31,000
Adult Education and Literacy State Grants	\$450,000	\$460,000	\$470,000	\$460,000
Block Grants				
Innovative Education Program Strategies State Grant (Title VI)	\$365,750	\$0	\$3,100,000	NA
Teacher Empowerment Act (contingent appropriation subject to authorization)	NEW	\$0	NA	\$1,750,000

The Honorable C. W. Bill Young
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

This letter provides the Administration's view on the Labor, Health and Human Services, Education, and Related Agencies Appropriations Bill, FY 2001, H.R. 4577, as passed by the House and by the Senate. Your consideration of the Administration's views would be appreciated.

The President's FY 2001 Budget is based on a balanced approach that maintains fiscal discipline, eliminates the national debt, extends the solvency of Social Security and Medicare, provides for an appropriately sized tax cut, establishes a new voluntary Medicare prescription drug benefit in the context of broader reforms, expands health care coverage to more families, and funds critical investments for our future. An essential element of this approach is ensuring adequate funding for discretionary programs. To this end, the President has proposed new discretionary spending limits at levels that we believe are necessary to serve the American people.

Unfortunately, the FY 2001 congressional budget resolution provides inadequate resources for discretionary investments. We need realistic levels of funding for critical government functions that the American people expect their government to perform well, including education, national security, law enforcement, environmental protection, preservation of our global leadership, air safety, food safety, economic assistance for the less fortunate, research and technology, and the administration of Social Security and Medicare. Based on the inadequate budget resolution, this bill fails to address critical needs of the American people. If the bill presented to the President does not address the issues discussed below, the President would veto the bill.

The House-passed bill provides \$100 billion in program level funding, \$6 billion less than the request. A number of priority programs, including class size reduction, urgent school renovation, key health and social services programs, and worker training programs are severely underfunded. While the Senate bill contains higher funding levels for a number of important programs compared to the House bill, the Senate-passed bill makes unacceptable funding cuts in critical programs such as the Social Services Block Grant, shifts funds from the State Children's Health Insurance Program, fails to provide funds to reduce class size and repair crumbling schools, and includes an unacceptable "patient protection provision."

Further, the Administration has concerns with several objectionable language provisions included in both the House- and Senate-passed versions of the bill. In particular, the Administration strongly opposes the provision included in both bills that would bar the Department of Labor from finalizing its standard to protect the Nation's workers from ergonomic injuries.

However, the Administration would welcome the opportunity to engage in a serious discussion about long overdue policy and financing commitments for health care and education.

Unfortunately, the Senate-passed bill includes a provision that falls short of a real Patients' Bill of Rights. It would: leave more than 135 million Americans without the guarantee of full protections; allow health plans to subject patients accessing emergency care to high financial penalties; fail to guarantee access to necessary health care specialists; fail to provide access to important clinical trials; and establish a wholly inadequate enforcement mechanism that prevents patients from holding health plans accountable when they make harmful decisions. Moreover, it includes poorly targeted, and regressive tax policies that would do little to expand coverage, would be extremely expensive per newly insured person, and would further segment healthy from unhealthy populations.

It is imperative that we take this opportunity to work together to pass a bipartisan, real, and enforceable set of patient protections that restore public confidence in the nation's health care delivery system. In addition, we should make a strong down-payment towards expanding coverage for the currently uninsured and providing assistance to the chronically ill and their caregivers in need of long-term care assistance.

The Administration is pleased that the Senate bill responds to the Vice-President's proposal included in the Mid-Session Review to take Medicare off-budget. However, the Senate-passed bill includes two competing versions of a Medicare lockbox. The version offered by Senators Conrad and Lautenberg, which we note attracted stronger support in the Senate, would actually take the Medicare HI Trust Fund off-budget, through provisions that parallel the current treatment of Social Security. The alternative proposed by Senator Ashcroft stops short of that goal, and only places the Medicare HI Trust Fund *surpluses* off-budget, not the entire Trust Fund. The Administration urges Congress to pass legislation that takes Medicare off-budget, just as we have done for Social Security.

Along with the broad range of legislative issues already in this conference, in order to ensure that we have a comprehensive and complimentary approach to education, it is necessary to not only include in this legislation provisions to significantly enhance our discretionary investments in education, but our tax policy in this area as well. The President's FY 2001 Budget includes a number of tax provisions that complement our funding requests, and further respond to our Nation's education needs. The President's Budget proposes \$39 billion in education tax expenditures over 10 years, including tax credits for school construction and modernization bonds to help ensure that children are being taught in modern facilities, and the College Opportunity Tax Cut, which will help make college more affordable for American families.

These important authorizations should be addressed in the context of resolving the funding concerns in this bill.

Detailed discussions of these issues are provided in the enclosure. We look forward to working with the conferees to address our mutual concerns.

Sincerely,

Jacob J. Lew
Director

Enclosure

Identical Letter Sent to The Honorable C. W. Bill Young,
The Honorable David R. Obey, The Honorable John E. Porter,
The Honorable Ted Stevens, The Honorable Robert C. Byrd,
The Honorable Arlen Specter, and The Honorable Tom Harkin

The Honorable C. W. Bill Young
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

The Honorable David R. Obey
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Representative Obey:

The Honorable John E. Porter
Chairman
Subcommittee on Labor, HHS,
Education, and Related Agencies
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

The Honorable Ted Stevens
Chairman
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

The Honorable Robert C. Byrd
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Senator Byrd:

The Honorable Arlen Specter
Chairman
Subcommittee on Labor, HHS,
Education, and Related Agencies
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

The Honorable Tom Harkin
Subcommittee on Labor, HHS,
Education, and Related Agencies
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Senator Harkin:

Enclosure
(Conference)

**H.R. 4577 -- DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES,
EDUCATION, AND RELATED AGENCIES APPROPRIATIONS BILL, FY 2001**
(As Passed by the House and by the Senate)

Department of Education

The House and Senate bills would undermine our Nation's commitment to improving our schools. While the President and Vice President's budget reflects their ongoing commitment to investing more in our schools while also demanding more from them, the House cuts \$2.9 billion from the President's overall FY 2001 request for the Department of Education. While the Senate bill is a significant improvement over the House, both bills fail to fund adequately key education priorities, including efforts to strengthen accountability and turn around failing schools, reduce class sizes, improve after-school and summer-school opportunities, increase school safety, renovate aging and neglected schools, improve teacher quality, and prepare students for college. The Administration urges the conferees to provide the requested level of funding for these vital programs. The most significant problems with the bill include the following:

Class Size Reduction. Both the House- and Senate-passed bills fail to guarantee funding for the third installment of the President's initiative to hire 100,000 new teachers by FY 2005 to reduce class sizes to a nationwide average of 18 in the primary (K-3) grades. Both bills effectively repeal the bipartisan agreement on class size reduction, jeopardizing the Federal commitment to hire as many as 20,000 new teachers next year and to continue support for the estimated 29,000 teachers already hired. As many as 2.9 million children could be denied the benefits of smaller classes. Research demonstrates that lowering class sizes in the early grades has a lasting effect on raising student achievement, with the benefits lasting through high school. Every State applied for and received funding in FY 1999 and FY 2000, and preliminary State reports show that approximately 1.7 million children will benefit from the funding provided in the last two years. The House and Senate bills could reverse that progress, while denying even more children the opportunity to learn in smaller classes. The Administration urges the conferees to provide the President's requested funding level and authorization language for this program.

Urgent School Renovation. Neither the House nor the Senate provides dedicated funding for the President's initiative to provide \$1.3 billion in loan subsidies and grants for emergency repairs to 5,000 of America's most aging and neglected public school buildings, including \$50 million for public schools with high concentrations of Native American students. An estimated \$127 billion is needed to bring America's schools into good overall condition. An estimated 3.5 million students attend schools that need major

repairs or replacement.

Accountability. Both the House- and the Senate-passed bills fail to focus on results and increase accountability for student success. The bills do not provide funding for the Title I Accountability Fund that helps States and districts turn around low-performing schools and ensures that no student is trapped in a failing school. As a result, States and districts would not receive targeted funds to turn around nearly 6,000 failing schools and improve student achievement. Also, the House bill cuts \$166 million from the President's request for Title I Grants to LEAs, reducing or eliminating services to more than 260,000 disadvantaged students. In addition, both bills fail to provide funds for the proposed Reward and Recognition program that would reward States that show significant gains in student achievement and that narrow the achievement gap between high- and low-performing students.

21st Century Community Learning Centers. Both the Senate and House bills cut the \$1 billion request by \$400 million, denying funding for over 3,000 centers that would provide after- and summer-school programs to over one million children. Extended learning time is an essential strategy to help all students master challenging academic material and reach high standards. The conferees should fully fund the request, which would support nearly 18,000 after-school and summer-school centers serving an estimated 2.5 million children. We also oppose the Senate amendment that makes community-based organizations (CBOs) eligible for 21st Century grants on the same basis as a school, thus eroding the link between after-school programs and in-school instruction. We prefer the Administration's proposed authorizing legislation allowing up to 10 percent of the appropriated funds to be awarded to CBOs that work with schools to create high-quality after school programs.

Teacher Quality. The House and Senate bills fail to provide funding for the proposed \$1 billion Teaching to High Standards teacher quality programs. The House bill does not guarantee funding for professional development for teachers, and the Senate bill would cut \$255 million from the President's \$690 million professional development request. The President's overall request for Teaching to High Standards programs also includes \$310 million for teacher quality and recruitment initiatives of national significance such as Hometown Teachers, Early Childhood Educator Professional Development, the School Leadership Initiative, and Higher Standards-Higher Pay. Neither the House nor the Senate has provided any funding for these programs. Nor have they provided the requested \$25 million to continue and to expand the very successful Troops to Teachers program. The new Troops to Teachers: Transition to Teaching program will continue to offer former military personnel training in education and placement in high-need districts and subject areas, while expanding to offer more mid-career professionals the same opportunity. Finally, the Senate bill fails to provide the President's budget request of \$45 million for Special Education State Improvement. This \$10 million increase would support professional development related to the needs of children with disabilities.

GEAR UP. The FY 2001 Budget provides \$325 million for GEAR UP, a \$125 million increase over FY 2000, to support early intervention and college preparation services for approximately 1.4 million disadvantaged youth. The House bill provides no increase in funding for GEAR UP, denying services to as many as 644,000 students. While the Senate bill provides a \$25 million increase, this level, \$100 million below the request, would deny services to more than 400,000 students.

Hispanic Education Action Plan. The President's budget requests an increase of over \$800 million to support programs that serve large numbers of Hispanic Americans. Hispanic Americans are the fastest-growing population in America, and eliminating disproportionate gaps in their education achievement is key to America's economic success. The House underfunds this request by over \$650 million, and the Senate underfunds it by over \$200 million. Also, the House bill includes none of the \$48 million requested increase for Bilingual Education, and the Senate bill provides \$17 million less than the President's request. These cuts would deny indispensable services to this underserved population, seriously hampering the progress of Hispanic Americans in reaching the high academic standards expected of all students.

Safer Schools. The House bill provides inadequate funding for Safe and Drug Free Schools and Communities National Programs. In addition, neither the House nor Senate provides funding for Project SERV, which would provide critical emergency assistance and support to schools that have suffered traumatic violence such as school shootings and other crises. The Administration urges the conferees to adopt the requested level for National Programs and Project SERV.

Small, Safe and Successful High Schools. Both the House and Senate provide inadequate funding for Small, Safe, and Successful High Schools, denying as many as 400 high schools support to establish or expand smaller learning communities of no more than 600 students. Research shows that when students are a part of a small and more intimate learning community, they are more successful both academically and socially.

Community Technology Centers. The President's FY 2001 Budget provides funding for 1,000 new Community Technology Centers that would offer access to computers and technology, particularly educational technology, to thousands of adults and children in high-poverty areas. The House bill would not fund over 700 of these centers, and the Senate bill fails to fund over 300 of these centers.

Technology and the Digital Divide. The FY 2001 Budget requests \$903 million for efforts to bridge the digital divide by providing technology training to teachers, and by supporting the community technology centers noted above. The House bill would eliminate training for over 100,000 teachers through Preparing Tomorrow's Teachers to Use Technology. The Senate bill would eliminate training for about 40,000 teachers. The House and Senate bills also fail to provide funding to expand cutting edge technologies to improve education through the Next Generation Technology Innovation

program. Neither the House nor the Senate bill includes the \$10 million requested by the President for technology training for teachers in the Mississippi Delta Region. This funding is critically needed to bolster the long-term economic strength of that region.

English Literacy Civics. The budget requests \$75 million for the Adult Education English Literacy/Civics initiative. The House provides nearly \$50 million less than the request, and the Senate bill does not provide any of the requested funds. The Senate level would deny 250,000 immigrants and limited English proficient adults the literacy and civics skills necessary to become successful participants in American society.

Reading Excellence. The House bill cuts the President's \$286 million request for Reading Excellence by \$26 million, denying 100,000 students the help they need to become successful readers, the cornerstone of all learning.

Comprehensive School Reform Demonstrations. The Senate bill fails to provide the \$240 million (\$190 million in Title I and \$50 million under the Fund for the Improvement of Education) requested to help schools implement comprehensive school reform programs that are based on reliable research and effective practices. As a result, support for 1,000 schools currently receiving funds would be discontinued, and 2,200 new schools would not receive support to improve student achievement through research-based school reforms.

Technology for Individuals with Disabilities. The FY 2001 Budget requests \$100 million for the National Institute on Disability and Rehabilitation Research (NIDRR), a \$14 million increase. The increase includes \$5 million to provide technical assistance to elementary, secondary and postsecondary schools on accessible information technology for students with disabilities. The budget also requests \$41 million for Assistive Technology, a \$7 million increase, including \$15 million for alternative loan financing programs that help individuals with disabilities purchase assistive technology. The House bill fails to provide either of these requested increases. The Senate bill provides \$5 million less than the President's request for NIDRR and, while the Senate provides the budget's funding request for Assistive Technology, it targets \$8 million less toward alternative loan financing.

Opportunities to Improve our Nation's Schools (OPTIONS). The conferees are urged to fully fund this \$20 million initiative to support innovative public school choice programs such as worksite schools and inter-district choice programs. Not funding this initiative would deny 40 States and districts support to develop and implement new models for enhancing public school choice and increasing healthy competition.

Dual Degree Program. Both the House and Senate bills fail to provide funding for Dual Degree Programs for Minority-Serving Institutions, the President's initiative to increase academic opportunities for students at minority-serving institutions. Failure to fund Dual Degree Programs would deny up to 3,000 students the chance to earn two degrees in five years and enter professions in which minorities are underrepresented.

American Indian Administrator Corps. The President's budget requests \$5 million to recruit, train, and provide inservice professional development for approximately 200 Native American teachers and professionals. The House bill fails to provide any funding for this purpose.

Research and Statistics. Both the House and Senate bills fail to support the budget's requested \$30 million increase for education research and the \$16 million increase for statistics. The House bill fails to provide the \$10 million requested increase for Special Education Research and Innovation. Now, more than ever, teachers, parents, and policymakers are demanding research-based information about which education reforms work and why. The requests for the Department of Education's research investments, such as the Interagency Education Research Initiative, are vital to generating such a knowledge base for improving student performance. The conferees are urged to provide the requested levels for these programs, \$199 million for research, \$84 million for statistics, and \$74 million for Special Education Research and Innovation.

Departmental Management. Neither the House nor the Senate provides critical increases in administrative funding requested for the Department of Education. These funds are necessary to ensure proper oversight and management of Federal education programs. The inadequate funding provided by the House and Senate for the Office for Civil Rights (OCR) would hamper the efficient resolution of complaints, threaten a return to onerous backlogs, and curtail new technical assistance activities that allow OCR to work proactively with customers to prevent discrimination before it occurs.

America's Tests. The Administration objects not only to the lack of funding for America's Tests in the House bill, but also to the House's language limitation that would halt the President's efforts to help States and parents raise academic standards through any federally sponsored national test, including the Administration's proposed voluntary national test. The bill's language would prohibit development, pilot testing, field testing, implementation, administration, and distribution of the tests unless explicitly authorized. This language prohibition undermines Federal efforts to promote high standards and strengthen accountability for all students.

Department of Education One-Percent Transfer Authority. The House bill would eliminate the Department of Education's authority to transfer funds between appropriations. The Department has used its transfer authority only once, to finance the agency's financial audit. The Administration urges the Congress to maintain this authority, which the Department will continue to use prudently -- and only if necessary -- to respond to unforeseen needs.

FY 2001 -- ESEA Reauthorization Proposals

Major Policy Changes	Current Law/Administration Policy	House Proposals	Senate Proposals
ESEA Programs		HR 2, HR 1995, HR 2300, HR 3616, HR 3222, HR 4141	S.2
Title I			
Title I Grants to LEAs*	Old: (1) Accountability Fund (FY00 only) with limited school choice provision (2) system for identifying schools for improvement that applies only to Title I schools New: (1) Accountability Fund that strengthens choice for corrective action schools and prioritizes services to corrective action schools (2) requires single State system for school improvement (3) LEP tests: requires Spanish test, and assessments in English after 3 years in US (4) Paraprofessional: can't use them for instruction (5) Prof. Dev't: 10% set-aside.	(1) No accountability fund (2) school improvement system applies only to Title I schools (3) requires choice for all students in school improvement schools (4) requires numerical goals for yearly progress and that all students to be at least proficient in reading and math within 10 years.	(1) 50% of funding above \$8.1 billion can be for assessment development, rewards, or school improvement activities (2) school improvement system applies only to Title I schools (3) requires all students to be at least proficient in reading and math within 10 years.
Title II			
Teaching to High Standards -- State Grants	Allocation to Districts: Old: Formula Grants to LEAs based 50% on preceding year's Title I share and 50% on school-age enrollment. New: Grants to LEAs based 50% on school-age poverty and 50% on competition.	Allocation to Districts: LEAs and SAHE may compete for 20% of total funds. Remaining 80% goes to LEAs based 50% on enrollment and 50% on school-age poverty.	Allocation to Districts: SAHEs compete for 5% of funds. LEAs get 95% based 25% on enrollment and 75% based on school-age poverty.
Transition to Teaching	New Program	Same as administration's bill except Troops to Teachers and Transition to Teaching would be separate programs	Continues Troops to Teachers but does not authorize a separate Transition to Teaching Program
Early Childhood Educator P.D.	New Program	No comparable program	No comparable program
School Leadership	New Program	No comparable program	No comparable program
Hometown Teachers	New Program	No comparable program	No comparable program
Teacher Quality Incentives	New Program	No comparable program	No comparable program
Higher Standards, Higher Pay	New Program	No comparable program	No comparable program
Strengthening Technical Assistance Capacity Grants	Old: Funds 15 regional centers New: Funds formula to states and 100 LEAs	No provisions to reauthorize technical assistance activities	Same as current law
Recognition and Reward	New Program		

FY 2001 -- ESEA Reauthorization Proposals

Title III			
Next Generation Technology	New Program (incl. Delta initiative) - consolidates Technology Innovation Challenge Grants (TICG) and Star Schools into one authority	Repeals TICG and Star Schools. Secretary may continue to fund grants awarded under Title III	Same as current law
Telecommunications Program for Professional Development	Old: Training for math teachers New: Training for all core content teachers	Similar to admin's proposal, but includes grants to local telecomm entities to produce programming aligned to State content standards for students	Reauthorizes New Century Program for Distributed Teacher Professional Development - similar to admin's proposal
Community Technology Centers	Old: Within National Activities New: Separate authorization	Allowable national activity with very limited funding	Allowable national activity with very limited funding
Preparing Tomorrow's Teachers to Use Technology	Old: Within National Activities New: Separate authorization	Allowable national activity with very limited funding	No comparable program - authorizes continuation grants under Nat'l Tech Innovation Grants program
Title IV			
Safe and Drug Free Schools	Old: Most-funds formula New: Most funds competitive	Most funds formula. Consolidates 21st Century Community Learning Centers with Safe and Drug Free state grants program.	Similar to current law
Project SERV	New Program	Similar to current law - similar activities in National Programs	Similar to current law - similar activities in National Programs
Title V			
OPTIONS	New Program	Similar to administration's proposal.	No comparable program
Title VI			
Class Size	Only authorized in FY 00 approps language	Title II Teacher Empowerment authority - LEA's must use some Title II funds to hire fully qualified teachers	Same as House
Title X			
21st Century Community Learning Centers	Expands and clarifies eligibility -- requires match	Consolidates this program with Safe and Drug Free Schools	Reauthorizes program under Title III of ESEA
Small, safe and successful high schools**		Goodling proposal would allow for very limited school renovation activities	Senate appropriations language allows for school construction in Title VI
Title XI			

FY 2001 -- ESEA Reauthorization Proposals

Education Accountability Act	(1) Single statewide systems to hold LEAs accountable for student performance (2) End social promotion (3) Require State and district report cards (4) 95% of teachers must be certified (5) Requires a discipline policy	(1) school improvement system applies only to Title I schools (2) requires report cards (3) similar to Administration, but also requires student achievement data	(1) school improvement system applies only to Title I schools (2) does <u>not</u> require report cards (3) no teacher certification provisions
Title XII			
School Construction***	New Program		
Other Programs			
ACT/SAT test prep	New program within FIE	No comparable program	No comparable program
AP Online	New Program within Next Generation Tech.	No comparable program	No comparable program
OERI	Reorganization of the Office	No action	No action
Dual Degree	New Program	No comparable program	No comparable program
CCCG	Component of TRIO program (Student Support Services)	No comparable program	No comparable program

* Title I - Accountability: Continuation of program authorized in FY 00 appropriations language

** Small, Safe and Successful High Schools: Only authorized in FY 00 appropriations language

*** School Construction: Authorization language submitted in FY 01 budget

School Construction

School Renovation Funding in Appropriations Bills

The Administration requested \$1.3 billion for school renovation.

The House provides no funding for school renovation.

The Senate provides \$2.7 billion in Title VI, Innovative Education. School renovation is an allowable activity with these funds.

Comparison of Administration's Proposal (H.R. 3703) and Goodling Bill (H.R. 4766)

	Administration's Proposal	Goodling Bill
Recipients	\$1,125 million in loan subsidies, \$125 million in grants, and \$50 million in grants to LEAs with high concentrations of Native Americans (Total \$1.3 billion). All funds go directly to LEAs.	\$1.5 billion, including \$52.5 million to LEAs with high concentrations of Native Americans. All funds go directly to <u>States</u> .
Allowable Activities	Funds can be used for urgent need renovations. Grants to LEAs with high concentrations of Native Americans can also be used for construction.	Funds can be used for IDEA compliance, assistive technology, wiring for technology, science equipment, asbestos removal, fire and safety compliance, and renovations to prevent traumatic events. Funds (except funds to charter schools and LEAs with high concentrations of Native Americans) <u>cannot</u> be used for other renovation or construction.
Allocation Criteria	Funds are distributed to LEAs based on their percentage of low-income families, need for school repair, and fiscal capacity.	Funds are distributed to States based on poverty and Title I allocation. <u>However, there are no requirements for funds distributed to LEAs.</u>
Leveraging	Program would fund about \$6.7 billion in renovation	Program could possibly leverage \$3 billion (due to local matching), but would likely only provide \$1.5 billion for allowable activities.
Targeting	Funds are awarded competitively based on poverty, need for school repair, and fiscal capacity of districts	There is no required targeting from the State to the district level.
Supplement not Supplant	Contains supplement not supplant requirement	Funds can be used to refund or refinance existing obligations.
Native American Allocation	\$50 million is provided for renovation or construction of schools in districts with high concentrations of Native Americans	\$52.5 million (3.5% of the total) is provided for renovation or construction of schools in districts with high concentrations of Native Americans

Teacher Quality

This document addresses three teacher quality issues to be resolved during this year's appropriation process: (1) accountability for teacher quality, (2) National activities for teacher quality, and (3) teacher quality state grants.

Accountability

Accountability provisions in the House and Administration's bills are similar. The House includes additional requirements that student achievement data be used to measure teacher quality programs, and that districts provide parents with information on certification and training.

	Current Law	Administration's ESEA	House Bill TEA	Senate Bill S. 2
Accountability	N/A	States must have a plan that within four years, (1) 95% of teachers are certified or have a degree and are enrolled in a certification program, (2) 95% of secondary teachers have training or competence in their subject area, (3) there is no disproportionate concentration of uncertified teachers, (4) certification process requires assessment of content knowledge and teaching skills and is aligned with State standards.	Similar to Administration. Additional provisions include (1) State applications must include a description of how states will use student achievement data to determine the effective use of funds in LEAs, (2) upon request, LEAs must provide information about individual teacher certification and training.	No Similar Provisions

National Activities

The House and Senate Bills have more restrictive national activities sections. Two priority programs, Transition to Teaching and Leadership Training would both be allowable under either the House or the Senate bills. Other programs including Hometown Teachers and Higher Standards, Higher Pay are allowable under current authority.

SD is school leadership grants

State Grants

Current law, the Administration's ESEA, the House and the Senate bills are all fairly similar. The Administration's proposal would make half of the grants to LEAs competitive, while existing law, the House bill and the Senate bill all allocate money based on population or poverty. In addition, the administration's bill mandates that more funds be used for math and science professional development.

	Current Law (Eisenhower)	Administration's ESEA	House Bill TEA	Senate Bill S. 2
Allocation to States	Based 50% on Title I and 50% on population age 5-17.	Based 50% on Title I and 50% on population age 5-17.	Holds States harmless at FY 1999 levels for Eisenhower, Goals, and Class Size. Remaining funds based 50% on population age 5-17 and 50% on poverty	Holds States harmless at FY 2000 levels for Eisenhower, Goals, and Class Size. Remaining funds based 50% on population age 5-17 and 50% poverty

Allocation to Districts	SAHE gets 16% of funds. LEA funds are allocated based 50% on the preceding year's Title I share and 50% based on school-age enrollment.	SAHEs share \$60 million. LEA funds based 50% on school-age poverty and 50% on competition	LEAs and SAHE may compete for 20% of total funds. Remaining 80% goes to LEAs based 50% on enrollment and 50% on school-age poverty.	SAHEs compete for 5% of funds. LEAs get 95% based 25% on enrollment and 75% based on school-age poverty.
Math and Science Priority	\$250 million must be used for math and science	\$300 million must be used for math and science	LEAs must maintain effort in math and science professional development	LEAs must use a portion of funds for math and science.

Appropriations Bills

The Budget requests \$1 billion for Teaching to High Standards. This includes \$690 million for State Grants as well as \$310 million for national activities including Early Childhood Professional Development, Leadership Training, Hometown Teachers, Higher Standards, Higher Pay, and Teacher Quality Incentive Awards.

The House provides \$1.75 billion (equal to the Administration's request for Class Size) for the Teacher Empowerment Act. These funds can be used for activities including professional development and Class Size reduction.

The Senate provides \$435 million for Eisenhower professional development as well as \$3.1 billion for Title VI, Innovative Strategies. The Title VI money can be used for professional development or a wide range of other activities including Class Size reduction and School Renovation.

Accountability

The accountability provisions consist of the Administration's Accountability Fund, plus various provisions relating to State accountability systems, including report cards, performance measures or goals, and school choice as part of school improvement systems:

Accountability Fund

Current law (for FY00 only): States receive their allocation of \$134 million to distribute to districts to improve schools in school improvement, that is to implement section 1116(c) of Title I. Districts must provide students in schools that receive these funds the option to transfer, to the extent that the district has the capacity to place those students.

Administration in 2001 Budget: States receive their allocation of \$250 million to distribute at least 70% of the funds to districts to improve failing schools. Schools in corrective action (the lowest achieving schools), receive the highest priority for funds. Districts must allow all students in corrective action schools to transfer to a better school.

House: No Accountability Fund – States may retain .5% of their Title I Grants to LEAs allocation for administration, including implementation of school improvement provisions. Districts must allow all students in schools in school improvement to transfer to a better school within 18 months of placing those schools in school improvement.

Senate: Up to 50% of Title I Grants to LEAs funds above \$8.1 billion may be distributed to the States for assessment development, school improvement activities, or academic achievement awards.

Statewide school improvement systems

Current law: State/districts place schools in school improvement if they do not make “adequate yearly progress”, as defined by the State, toward State reading and math standards, and devise interventions to improve those schools; the system applies only to Title I schools.

Administration: States develop a single accountability system for all schools that identifies schools that need improvement, outlines a series of rewards and sanctions, and defines interventions to improve the schools. Schools must make continuous and substantial gains toward State reading and math standards for all student sub-populations.

House: Similar to current law in that the system applies only to Title I schools.

Senate: same as House

Performance Goals

Current law: States define “adequate yearly progress.” They report data on a disaggregated basis, but are not held accountable for improving achievement for all sub-populations

Administration: State defined “continuous and substantial” improvement. States must report on specific performance measures including student performance on a disaggregated basis, status of schools in school improvement, teacher qualifications, and parental involvement.

House: States define “adequate yearly progress”, however, they are required to set numerical achievement targets so that by 10 years after enactment all children and all sub-populations are at least proficient in reading and math. States that fail to establish adequate yearly progress systems would lose administrative funding.

Senate: similar to current law except that the “adequate yearly progress” definition must ensure that all children achieve at least to the proficient level within 10 years.

Lieberman: Secretary negotiates performance objectives. States are penalized if they do not meet them as follows: if, after three years, States do not meet their objectives, their administrative funding is cut by 50%, and after four years, their block grant funding can be cut by 30%.

Report Cards

Current law: States and districts are required to publish school profiles based on their reviews of whether schools have made adequate yearly progress toward the State standards. Assessment results must be disaggregated by student sub-populations.

Administration: Requires all States and districts to disseminate annual report cards on all schools (both Title I and non-Title I) covering at least the following topics: student performance (disaggregated by sub-population), teacher qualifications, class sizes, school safety, and attendance and graduation rates.

House: Require all States to disseminate annual report cards by 2001-2002 school year, or report the information through another public means, with information on disaggregated student performance data in at least reading and math, retention in grade, completion of AP courses, graduation rates, teacher and paraprofessional qualifications, and the ratio of paraprofessionals to teachers

Senate: Similar to current law

School Choice

Current law: In the FY00 Accountability Fund, districts must provide students in schools that receive these funds the option to transfer, to the extent that the district has the capacity to place those students.

Administration: In the FY.01 Budget Accountability Fund, districts must allow all students in corrective action schools to transfer to a better school.

House: Districts must allow all students in schools in school improvement to transfer to a better school.

Senate: no school improvement related choice provision. Includes Title I "Child Centered Demonstration" that would provide \$500 million to up to 10 States and 20 districts to operate open enrollment systems. Funds could be combined with Title I funds to create individual student vouchers for supplemental educational services.