

MEMORANDUM TO BRUCE REED

CC: Barbara Chow

From: Kendra Brooks
JB Buxton
Bethany Little

Re: Education Appropriations Priorities

As requested, this memorandum lays out the DPC-Education team's recommendations for our priorities for FY2001 budget initiative in the appropriations negotiating process. Initiatives are categorized into top priorities and other high priorities. We have also included initiatives we believe could be used as bargaining chips or "strategic caves" in the negotiation process.

FY2001 BUDGET TOP PRIORITIES¹

Title I Accountability Grants

FY 2000 Appropriations: \$134 million
FY 2001 Admin. Request: \$250 million
Senate Appropriation: \$0
House Appropriation: \$0

Funding Goal: \$250 million

Funding Floor: \$200 million

Negotiating/Language Issues. Last year's agreement did not include the set-aside for states that we were seeking in this program. Instead, all the funding is being sent directly to districts. Also, since Goodling is unhappy with our interpretation of last year's agreement that applies the school choice provisions only to districts receiving Accountability money, he may push to broaden this provision to apply to all failing schools. Unless there is concern about this being an unfunded mandate, we could probably live with it. We recommend the following positions on the set-aside language:

Negotiating Stance: 30% of funds to states
Fall Back: 20% of funds to states
Final Fall Back: All funds directly to districts

21st Century Community Learning Centers (After-School)

FY2000 Appropriation: \$453 million
FY2001 Admin. Request: \$1 billion
Senate Appropriation: \$600 million

¹ School Construction and Head Start are also top priorities, however we assume they are being covered by NEC and the First Lady's office.

*Send to
Joanna
+
Celine*

House Appropriation: \$600 million

Funding Goal: \$1 billion

Funding Floor: \$800 million

Negotiating/Language Issues. There is one major language issue with After-School: the participation of community-based organizations (CBOs) in the program. The Senate passed an amendment that would allow CBOs to compete on equal terms with schools in the grants process. Our FY2001 budget proposal called for up to 10% of the grants to be given to CBOs that worked in partnership with schools. We recommend the following positions on the CBO language:

Negotiating Stance: CBOs eligible for 10% of grants; must be in partnership with school.

Fall-back: CBOs eligible for 25% of grants, *programs must be operated at schools or at CBOs which can demonstrate greater capacity than local schools.*

Final Fall-back: CBOs eligible for 25% of grants; *must be in partnership with schools.*

- **Class Size Reduction**

FY 2000 Appropriations: \$1.3 billion

FY 2001 Admin. Request: \$1.75 billion

Senate Appropriation: \$0

House Appropriation: \$0

Funding Goal: \$1.75 billion

Funding Floor: \$1.5 billion

- **Teacher Quality Package**

FY2000 Appropriation: N/A (no program)

FY2001 Admin. Request: \$1 billion

Senate Appropriation: \$0*

* Senate has appropriated \$435 million for Eisenhower and \$3.1 billion for an Innovative Strategies Block Grant, which theoretically could be used for teacher quality—states can use up to \$2.7 billion for class size reduction and school construction.

House Appropriation: \$0**

** House has appropriated \$1.75 billion for their Teacher Empowerment Act (TEA), which is a teacher quality block grant. This is intended to cover both our class size and teacher quality requests, but at \$1 billion below what we requested.

Funding Goal: \$1 billion

Funding Floor: \$1 billion

Negotiating/Language Issues. Congress is most likely going to push hard to have their TEA enacted. As we discussed in the strategy session last week, to get dedicated class size reduction money, we are probably going to have to be prepared to deal on a TEA-like Teacher Quality block grant. While we ought to push for class size and our TQ package, that is an unlikely win. Thus, we recommend being prepared to give them a TEA-like block grant in exchange for funding for some of our national activities and—as you suggested—re-name the package something like the Goodling-Clay Teacher Quality Initiative.

Negotiating Stance: \$1 billion TQ Package as is.

First Fall-Back: \$335 million for Eisenhower Professional Development Formula Grants
\$310 million for our proposed national activities
\$355 million for TEA-style block grant

Second Fall-Back \$335 million for Eisenhower
\$220 million for national activities (Transition to Teaching, Higher Standards, Higher Pay; School Leadership, Early Childhood)
\$445 million for TEA-style block grant

Final Fall-Back: \$300 million for our national activities
\$700 million for TEA-style block grant

Priorities for National Activities. We should definitely protect 1) School Leadership, 2) Early Childhood Educator professional development, and 3) Transition to Teaching. We should also try to get Hometown Teachers and Higher Standards, Higher Pay, but be ready to use them “strategic caves.” Lastly, the Teacher Quality rewards should also be used as a bargaining chip—it will be difficult to implement and if we take TEA provisions, then we will already have mandates for certified and in-field teachers and we won’t need an incentive program.

OTHER HIGH PRIORITY BUDGET INITIATIVES

• Small, Safe, and Successful High Schools

FY 2000 Appropriations: \$45 million
FY 2001 Admin. Request: \$120 million
Senate Appropriation: \$0
House Appropriation: \$45 million

Funding Goal: \$120 million
Funding Floor: \$90 million

• Reading Excellence Act

FY 2000 Appropriations: \$260 million

FY 2001 Admin. Request: \$286 million
Senate Appropriation: \$286 million
House Appropriation: \$260 million

Funding Goal: \$286 million
Funding Floor: \$286 million (current Senate number)

• **Bilingual Education**

FY 2000 Appropriations: \$248 million
FY 2001 Admin. Request: \$296 million
Senate Appropriation: \$279 million
House Appropriation: \$248 million

Funding Goal: \$296 million
Funding Floor: \$279 million (current Senate number)

• **Recognition and Reward (new program)**

FY2001 Admin. Request: \$50 million
Senate Appropriation: \$0
House Appropriation: \$0

Funding Goal: \$50 million
Funding Floor: \$25 million

Language Issues. We would need authorizing language for this. The key with this initiative is to 1) get enough money to give a reward that is big enough to be an incentive and 2) to make rewards contingent upon demonstrated increases in student achievement in core subjects and closing the achievement gap between high and low-performing students. We should not take a deal that doesn't include closing the gap as a condition. The implementation of this is very complex. It would require giving NAEP more often and would not kick in until 2002, so it may be something we can concede.

• **College Test Preparation for Low-Income Students (new program)**

FY2001 Admin. Request: \$10 million
Senate Appropriation: \$0
House Appropriation: \$0

Funding Goal: \$10 million
Funding Floor: \$10 million

Language Issues. We would need authorizing language for this. We want both for-profit and non-profit organizations to be eligible for the grants. This is in our Fund for the Improvement of Education (FIE) request.

- **Comprehensive School Reform Demonstration Program**

FY2000 Appropriation:	\$220 million
FY2001 Admin. Request:	\$240 million
Senate Appropriation:	\$0
House Appropriation	\$190 million

Funding Goal:	\$240 million
Funding Floor:	\$220 million (last year's appropriation)

- **Project SERV (new program)**

FY 2000 Appropriations:	\$0
FY 2001 Admin. Request:	\$10 million
Senate Appropriation:	\$0 million
House Appropriation:	\$0 million

Funding Goal:	\$10 million
Funding Floor:	\$10 million

Language Issues. We do need authorizing language for this. Given current parental concerns about school safety this should not be that tough a sell theoretically, however we didn't get it last year. Nonetheless, the scrambling folks had to do to fill needs after Columbine makes this a pretty big priority.

- **America's Tests**

FY2001 Admin. Request:	\$5 million
Senate Appropriation:	\$0
House Appropriation	\$0

Funding Goal:	\$5 million
Funding Floor:	\$5 million

Language Issue. Need to make sure House's language prohibiting development, pilot testing, field testing, implementation, administration and distribution is removed.

- **OPTIONS (new School Choice Initiative)**

FY2001 Admin. Request:	\$20 million
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Senate Appropriation: \$0
House Appropriation \$0

Funding Goal: \$20 million
Funding Floor: \$10 million

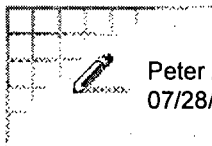
Language Issues. We need authorizing language for this.

BUDGET PRIORITIES TO USE AS BARGAINING CHIPS

The following are budget items that we should secure if possible, but that we should also be prepared to use as bargaining chips/strategic caves in order to land our bigger fish.

- OPTIONS (\$20 million)
- Recognition and Reward (\$50 million)
- Teacher Quality Rewards (\$50 million)
- Hometown Teachers (\$75 million)
- Higher Standards, Higher Pay (\$50 million)

Form 2 to Betty
+ Caroline



Peter A. Weber
07/28/2000 03:16:28 PM

Record Type: Record

Transition -> for

To: John B. Buxton/OPD/EOP@EOP
cc: See the distribution list at the bottom of this message
Subject: Programs needing authorization

Below is our list of programs for which the Administration has proposed either appropriations language in the Budget or authorizing language through other vehicles, including ESEA. The programs are in priority order. Was developing this list the purpose of the planned 4:00 meeting, or should we still plan to come over? Please call if you have any questions. Thanks.

- ✓ School Construction (appropriations language included in Budget)
- Class Size (ESEA) — *reauth. - 1 year*
- Title I/Accountability (ESEA; appropriations language included in Budget)
- Teaching to High Standards -- State Grants (ESEA; Administration is developing a structure for proposed teacher quality programs)
- Teaching to High Standards -- National Activities (ESEA; most programs can be run under Eisenhower's existing authority; however, Early Childhood Educator Professional Development, Teacher Quality Incentive Awards, and Higher Standards/Higher Pay may need new authority) *School Leadership*
- After-School (ESEA; our language on CBOs is needed to override the Gregg amendment)
- ProjectSERV (ESEA) — *new*
- ✓ Next Generation Technology (ESEA; most activities can be run through current Technology Innovation Challenge Grant authority)
- Small, Safe, and Successful High Schools (ESEA; language may not be necessary if the program continues to be funded under FIE's broad authority)
- ✓ College Completion Challenge Grants (proposed as freestanding authorization; similar authorizing language was included in the House-passed HEA Technical Amendments; if authorization is not passed, appropriations language needed to authorize the use of TRIO funds for grant aid to students)

app (1 year) - year
No - year

\$470 million

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Options

Tax