

# Appropriations/ Funding



The 2009 American Recovery and Reinvestment Act (ARRA) represents the single largest federal investment in education. When it was signed into law earlier this year, it was hard to picture Congress contemplating cuts to education funding. Unfortunately, that is the reality under current FY 2010 (school year 2010-11) education appropriations bills in both the House and Senate. These bills fund federal formula grants including Title I, IDEA and Safe and Drug Free Schools, as well as competitive grants such as Striving Readers. The House and Senate have completed their respective versions of the spending bill. Both echo changes from the Obama Administration budget proposal and include a direct shift away from formula funding in support of competitive grants to spur innovation. Most notably, the Senate proposes a \$700 million cut in Title I, which represents the first time in almost three decades that we have seen a cut to Title I.

The Obama Administration proposal included an overall increase of \$1.8 billion for education, but that masked a proposed \$1.5 billion cut to Title I, elimination of the state grants of Safe and Drug Free schools and a cut to Education Technology. We were hopeful Congress would restore the proposed cuts through its funding process, but that is not the current reality.

The House completed action on its education funding bill on July, which included rejection of President Obama's proposed cut to Title I. The bill level-funded Title I at the FY 2009 base level (without the stimulus funding) and level-funded IDEA (bringing its contribution in special education to just 17 percent instead of 40 percent of the national average per pupil expenditure for every child in special education). The bill accepted the shift in philosophy to competitive grants by choosing to eliminate the formula funding under the Safe and Drug Free Schools and cutting Education Technology (Title II, Part of ESEA) down to \$100 million, ensuring that there is too little funding to run the program at the 50 percent formula as intended.

The Senate bill includes a \$700 million cut from the basic grants under Title I, the first time since 1981 that Title I has been cut by Congress. While the Senate cut is less than that proposed by President Obama, AESA believes that any cut in funding to Title I is unacceptable. This cut only steepens the stimulus 'funding cliff', making it difficult for Congress to provide additional investment so that school districts can continue the efforts that were begun with ARRA funding. Outside the cut to Title I, the Senate bill echoes many of the policy decisions opted for by the House, including the elimination of the state grants under Safe and Drug Free Schools and the cut in Education Technology. Given the elimination of Safe and Drug Free Schools in both the House and the Senate, districts can expect that this funding stream will no longer be available in the 2010-11 school year.

The Senate bill, after cutting \$700 million from the basic grants of Title I, created a new \$700 million school construction program that would provide competitive grants for new construction, modernization or renovation. While AESA strongly supports healthy learning environments for students, we are concerned that the creation of this new competitive grant program comes as the expense of funding for disadvantaged students.

The loss of the federal formula dollars for school districts could have a profound effect on the ability of school districts to use their dollars in consortia with education service agencies.

**Talking Points:**

1. The only way to stop these cuts from becoming a reality is to weigh in heavily about how the funding cuts will hurt your district. Urge your members of Congress to oppose passage of any funding bills or amendments that cut federal support for education.
2. Urge your Senators to reject the cut to Title I funding. At a minimum, these dollars should be level funded, but ideally, push for an increase to continue the investment begun under ARRA.
3. Urge both your House and your Senate members to continue their investment in public education by rejecting efforts to level fund IDEA funding and instead providing an increase of \$1 billion. This would enable education service agencies to maximize the use of the IDEA funding by allowing the funding certainty that will allow them to hire special education staff. It will allow Congress to build on its historic increase and live up to its promise to fully fund IDEA.