



Federal Funding: Appropriations & Sequestration

Sequestration: For the current school year, districts will operate under sequestration. All federal K-12 dollars from the US Education Department will be reduced by 5.2% due to sequestration. The cuts severely impact schools, whose funding was already disproportionately reduced during the recession. The cuts of sequestration will translate into job cuts, elimination of professional development, and reducing academic course offerings. Sequestration stems from the Budget Control Act of 2011. In addition to raising the debt ceiling, the BCA established 10 years of budget caps for the federal budget and created a Super Committee tasked with identifying \$1.2 trillion in savings over 10 years. When the Super Committee failed this task, it triggered a process of sequestration. Sequestration is an across-the-board cut that will be used to realize the same level of savings the Super Committee was supposed to identify. One crucial difference, however, is that while the Super Committee would consider spending cuts, revenue increases AND mandatory program reform, sequestration would be applied only to spending. Absent a repeal of BCA or Congress picking up the work of the failed Super Committee, the nation will face sequestration cuts for the next 8 years. Looking to the FY14 budget impact, the sequestration cut could be as high as 9%.

FY14 Appropriations: This is the third of ten years with consecutive spending caps for the federal budget. The good news is that this year's cap is a modest increase over FY13. The House and Senate have both adopted their FY14 budget resolution, though they are drastically different: The House budget retains sequestration and, as a result, funds all programs at post-sequestration levels. The Senate budget resolves sequestration and protects investments in education. Congress is on track for a continuing resolution. That is, while each chamber will continue to pass standalone appropriations bills, they will not complete and conference all 12 prior to the start of the federal fiscal year (October 1). As such, they will adopt a continuing resolution to keep government running and fund government at FY13 levels. In fact, as of 9/20, the House-proposed CR was even lower than FY13 levels; the House proposes that baseline FY14 funding should be post-sequester FY13 levels. This is draconian for education. Current levels are already pre-2004, even though schools are educating nearly 6 million more students than they did in 2004.

Talking Points:

- As you talk about the impact of federal funds with your Congressional delegation, make sure to explicitly link sequestration with cuts to your district.
- Urge your Congressional delegation to work with their colleagues across the aisle and across the hill to resolve sequestration. Explain to them what budget cuts would mean to your district: How many job cuts? What programs would be impacted/eliminated?
- Urge your Senators and Representative to support increased investment to Congress' outstanding commitments to underserved populations through Title I and IDEA. Many of the reform and innovation ideas the Administration pushes through competitive funding can be accomplished through existing statute. Changes to ESEA within reauthorization, as well as increased flexibility at the local level, will allow all districts—not just those winning a funding competition—to implement long-term, systemic changes.
- Encourage your Senators and Representatives to steer any additional education dollars toward existing federal formula programs, instead of competitive grants, in any appropriations bill, whether a CR, omnibus, or regular appropriation.
- Urge your Senator to support the Senate budget levels. Explain to your Representative that the House should remain committed to the BCA-levels they signed in to law last year and that Chairman Ryan's budget, as well as the House CR, are damaging to schools.