

What's at Stake: Implications of the Bush Republican Legislative Proposals Being Debated in Congress

*A Technology Monitoring and Information Service (TechMIS)
SPECIAL REPORT*

*Prepared by:
Education TURNKEY Systems, Inc.
256 North Washington Street
Falls Church, Virginia 22046-4549
(703) 536-2310 / (703) 536-3225 FAX*

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This report highlights some of the implications for most TechMIS subscribers of the Bush ESEA reauthorization proposal and Republican versions passed by the House and Senate. For vendors of technology-based instructional programs, several implications are generally not good, as noted below.

Block grant consolidation following the Bush Blueprint

Both the House and Senate ESEA proposals would “block grant” several programs including those supporting technology purchase and use. The House would allow the transferability of funds (up to 50%) from one block grant to another. The Senate proposal would create a “national pilot test” of block grants.

By giving states much more flexibility to transfer funds to other purposes, portions of technology funds will likely be used to cover the cost of special education, thereby allowing states to reduce state funding for special education. To the extent that state legislatures would be required to approve such reallocations, state funds earmarked for technology will also be reduced as Federal funds are reappropriated by legislatures, resulting in a “net cut” in total technology-earmarked funding. Over time, constituency support for such Federally earmarked technology funds will dissipate, thereby reducing pressures at the Federal level for funding increases. Moreover, while virtually all Federal funds are targeted for at risk, low-income, educationally disadvantaged

students, such targeting would dissipate greatly as the Government Accounting Office recently found that Federal funds are four times more likely to be targeted on these populations than are state funds. The Senate version, BEST, is much better than the House HR 1 in that it includes targeting provisions, maintains to a much greater extent the integrity of funding streams under such block grants, and takes more current programs out of the block grants (e.g., Star Schools).

Ironically, under the block grant consolidation even with proposed increases of \$150-\$200 million in areas such as technology, less funds would actually be allocated to schools because the Administration has proposed significantly larger state asides for administering most consolidated programs. For example, during the March Council of Great City Schools legislative conference, one attendee questioned White House staff about the need to set aside such a large portion of the Reading First proposal for states to which White House key officials responded adamantly that such state allocations are required and will not be negotiated.

Accountability and Testing

The Bush Accountability proposal ironically is very similar to a major component of Title I which the Clinton Administration was able to persuade Congress to pass. The principal exception is Bush's proposal for annual testing of all students in grades 3-8 in math and reading using state selected/developed assessments with confirmation through administration of NAEP to a sample of students in all states. The major difference is that Clinton proposed, but did not get, the national testing he requested, nor did USED enforce major Assessment and Accountability mandates which all states would be required to meet by September, 2001 (only 14 have received conditional approvals by June, 2001). The major beneficiaries of annual testing of all 3rd-8th grade students within the education publishing sector are test manufacturers and testing firms such as Education Testing Service, which recently released results of its "independent" poll which, not surprisingly, reported that the vast majority of respondents supported the major assessment provisions of the Bush plan. ETS is responsible for administering and scoring of the NAEP whose budget will likely double or triple under the Senate proposal; under HR 1, states would have the option of using the NAEP or some other nationally recognized standardized test

to confirm the results of students who take the state assessment for Federal accountability purposes. The manufacturers of national norm-referenced tests would likely see sales double from the current estimated \$400 million annually to almost \$1 billion.

One implication of Senate 1 is that in virtually all states Title I student scores will be low because of the “inverse correlation” between the NAEP and virtually all national norm-referenced standardized tests as noted in previous TechMIS reports. While publishers of test prep, online, and other related services would likely benefit from the overall Bush testing plan, they may be forced to develop multiple versions aligned with numerous norm-referenced tests as well as with the NAEP. For most publishers of instructional materials the task will be less alignment with state standards (which in most states are not correlated with current state assessments, particularly norm-referenced tests); rather the need will be to align materials, lessons, etc. to domains in various assessment instruments.

At the state level, numerous lawsuits will likely occur, one of which will be that the Federally-mandated increase of student testing will exceed state limits on the number of hours students can be tested annually (e.g., approximately 35 hours in Massachusetts). The other category of lawsuits will be on allegations from parents of special education students who are required to take such assessments that “reasonable accommodations” were not provided as happened in Oregon in February, 2001. The number of states allowing the use of technology in taking such assessments (e.g., essay portions of writing assessments through online assessments) will increase dramatically as such online assessments facilitate “accommodations” more easily than paper-and-pencil tests.

One major implication of the testing focus only on reading and math, will be less time and focus on other subject areas such as science, history and social studies. When this point was raised at a recent White House briefing, senior officials stated that increased student performance in other areas such as science were secondary to increasing student achievement in math and reading. The demand for instructional materials which focus on subjects other than reading and math can be expected to decline.

The Bush annual testing plan would require that at least 95% of all students enrolled in a district to take such tests, thereby exempting no more than 5% of special education and limited-English-proficient students. This position has been strongly advocated by Secretary Rod Paige who, as superintendent in Houston, exempted very few students from taking the TAAS, which increased the number of schools “targeted for improvement”; these Houston schools were given more resources and flexibility for public school parent choice and the use of charter schools. Increased accountability and fewer exemptions should generate a demand for effective instructional and test prep programs.

Special Education

While the Bush proposed funding for special education differs greatly from resolutions passed in the Senate, it is not clear what the Administration will likely propose for the reauthorization of IDEA next year. There appears to be strong bipartisan support for full funding of IDEA which would be 40% of the total cost (estimated to be between \$60 and \$70 billion) rather than the approximately 15%, which would be the case for FY 2001. The Senate resolution calls for an increase over five years from \$7.4 billion to \$24 billion for IDEA, which was passed under the leadership of Senator Jim Jeffords prior to his clash with the White House and becoming an Independent. The Bush agenda appears to be two-fold: (a) to allow the districts to use the total \$1.3 billion earmarked for FY 2001 for school construction to be used for special education and/or implementation of technology purchases, which under the passed budget appropriation bill would be limited to \$300 million; and (b) to reduce the number of special education students (which has been relatively stable at about six million students), by two million students, through proposed expansion of the early childhood Reading First from about \$280 million to over \$900 million for FY 2002. Both the Bush budget and high level official statements suggest that the Administration will support assistive technology as a means to provide not only access to education opportunities for students with disabilities, but also opportunities for others with disabilities to become gainfully employed (e.g., telecommuting).

At the heart of the Bush accountability plan for Title I reform is the unresolved issue (in the House and to a lesser extent in the Senate ESEA reauthorization), of the definition of “adequate yearly progress” (AYP) which students in schools must achieve; otherwise, the school is “targeted for improvement” and under differing proposals would give parents the options to have their child receive tutoring with some portion of the student’s Title I allocation following the child to the provider. If Congress determines the criteria for “adequate yearly progress,” then the opportunity for a national accountability system in Title I is possible if USED is willing to enforce such sanctions. However, if each state defines AYP differently then, in fact, there will exist 50 Title I programs, almost guaranteeing no enforcement as was much the case under the Clinton Administration over the last two years.

Research Based Proven Practice

The Bush plan to use technology as a means to improve student performance in math and reading and only those technology-based solutions which are “research-based” and “proven,” can be purchased using Federal funds. The House does very little to change that philosophy while the Senate, however, has inserted in its ESEA/BEST proposal that technology used to deliver instruction is an allowable cost and that development of student skills related to technology literacy is an allowable use of technology thereby more broadly defining the basis for determining the effectiveness of technology as an instructional tool. Neither the Administration nor Congressional proposals have defined “research-based” or “proven practice,” nor have they identified the criteria which Bush proposed to be used by USED to select such practices for inclusion in the proposed National Clearinghouse on Proven Practices. Problems were created for many publishers and vendors of technology-based products when Congress identified by name 17 “model programs” which it encouraged districts to purchase under the 1997 Comprehensive School Reform Demonstration Program. Anticipated problems under the new Bush proposal could be even greater.

E-Rate

After statements made by Secretary Paige that the Administration was no longer considering changing the E-Rate program and similar statements later by White House officials that only minor changes would be requested, the final Bush FY 2001 budget calls for significant changes which would likely kill the program. By making software and staff development eligible E-Rate items, the revised program would come under major political criticism (rightfully so) from telecommunication carriers. The other Bush proposed changes for E-Rate would include: (a) growing E-Rate funds in the form of grants to states and districts based upon a formula; and (b) consolidating E-Rate funds with other existing technology funds which would require E-Rate funding to go through the annual appropriations process which creates much more uncertainty than current funding levels and processes. If the Bush changes (which are in the form of a legislative amendment) were to be formally submitted to the Senate, a recent discussion with Senator John McCain strongly suggests that E-Rate would become another issue in which Senator McCain adds to his arsenal of major political differences between him and the President.