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Subj: FY 2003 Omnibus Appropriation Bill

On February 13 the House and Senate negotiated and sent to the President the FY 2003 Omnibus Appropriation Bill which if signed by the President becomes effective immediately. Since October 1 programs have been funded at the FY 2002 level under Continuing Resolutions.

The good news is that Title I will receive a \$1.4 billion increase amounting to 14 percent over the last fiscal year and IDEA will also receive a \$1.4 billion increase amounting to 19 percent above last fiscal year's budget. Other good news is that virtually all of the increase in Title I will go to the same districts receiving largest increases this year (see December 19, 2002 Special Report). The bad news is that almost \$9 billion of the total \$11.7 billion increase in Title I Part A will not be allocated to states until mid-October, 2003 and in turn to districts as late as December/January, which means once again the largest purchasing cycle will be December 2003-February 2004. Slightly over half of the almost \$9 billion under IDEA in terms of grants to states is also "advanced funded" with over 50-60 percent of allocations to states beginning October, 2003. Highlights of the FY 2003 budget other areas include:

- Title II D Education Technology state grants are level funded at \$700 million as was the PT³ level funded at \$62.5 million;
- Reading First will receive a \$100 million increase to \$1 billion;
- Math and science partnership will receive a major increase from \$12.5 million to \$101 million;

- Title II Teacher Quality, Part A, will receive an additional \$100 million to \$1.8 billion; and
- Assistive technology (the “tech” act) received a major cut from \$60.8 million to \$27 million, which was not surprising.

For the most part most other relatively large programs whose funds are used to purchase technology products were “level funded.”

A more detailed analysis including earmarks for technology will be included in a Special Report once information becomes available and the President has signed off on the Bill.