President's Proposed FY 2006 Education Budget Would Increase Title I and IDEA Funding and Reallocate $1.5 Billion From Existing Program Cuts of Over $4 Billion to Secondary Reform Initiative

The President's proposed FY 2006 "budget" -- which is more of a "policy statement of Bush priorities" without strong justifications for budget cuts -- would reallocate most of about $4 billion of proposed cuts in existing programs to $600 million and $500 million increases for Title I and IDEA respectively, and approximately $1.5 billion to the President's Proposed Secondary Initiative (described in the January 19 TechMIS Special Report). Of great concern to most TechMIS subscribers is the proposed zero funding level for Title II D, State Consolidated Grants for Technology (E²T²), which once again confirms the low priority the Bush Administration places upon technology as a means to improve student academic performance. Surprisingly, in December, Congress reduced the Title II D E²T² State Technology grant program from about $700 million to $500 million which definitely provided a signal to the White House that Congressional support for this program was dissipating and that opposition to eliminating it totally would be minimal.

Several budget experts believe most of the President's proposed funding levels will be "dead on arrival" in the Senate. Education Subcommittee Chairman, Mike Castle, of Delaware, who supports Bush's efforts to "reduce waste and abuse," stated in the The Washington Post (February 8), "Programs like Amtrak, beach replenishment, and education funding have so much support in Congress that I believe the funding will be restored."

The $500 and $600 million increases in IDEA and Title I are somewhat misleading (see Exhibit A for proposed levels for selected programs). For example, the to-be-eliminated Comprehensive School Reform Demonstration Act, funded at $205 million last year, was until recently considered part of Title I. Moreover, if Secondary Reform Initiative legislation is not passed, the White House could earmark a portion of the Title I increase to implement the eighth/ninth grade interventions and development of individual performance plan (i.e., similar to IEPs for special education students) components. And, as also noted in the related update item, under the new IDEA reauthorization provisions, the $500 million increase for IDEA "on paper" could represent a de facto $1 billion reduction in IDEA funds being allocated to special education programs at the district level compared to last year. More of Title I funding, including all of the increase, and much more of the...
IDEA funding would be "advanced funded" compared to last year. This means that districts would receive a smaller percentage of their total annual allocation for the 2006-2007 year in July 2006, which could create cash flow problems for some urban districts.

Surprisingly, the 21st Century Community Learning Center Program would not be reduced as the Administration attempted to do in previous budget proposals; it remains level funded at $991 million. One possible reason is that some of these funds could be earmarked for afterschool interventions for eighth grade at-risk students who are having problems with reading and mathematics. Many afterschool operators, including districts, are already providing supplemental educational services to eligible students also using 21st Century funding or state compensatory education funding.

The proposed consolidation (or elimination) of Perkins Vocational/Technical Education ($1.2 billion) and Education Technology state grants ($496 million) will be challenged by leaders on both sides of the political aisle in Congress, particularly in the Senate. Funds for Even Start could be restored because it was championed by former Republican Education Committee Chairman Bill Goodling of Pennsylvania, who has been active behind the scenes generating support among his former colleagues. Just as the Administration has proposed eliminating Even Start over the last three years, other technology programs also proposed for elimination in the past such as Star Schools ($21 million) will likely receive at least some funding in the future.

Even though GAO and other groups have found that less than five percent of parents wish to have their students transferred from "identified" schools to high-performing schools, the Administration has proposed $50 million for a new Choice Incentive Fund, to increase opportunities for parents to transfer their children. And, $27 million would fund the Voluntary Public School Choice grants to establish or expand public school choice programs, especially across districts. As noted in the January TechMIS report, several pro-NCLB groups have recommended providing the SES option prior to the parent choice transportation option when a school is identified for improvement the first time.

The President's proposed FY 2006 budget is a policy statement of priorities rather than a document which clearly justifies a need to eliminate 48 education programs. The "budget" does not include any of the much larger anticipated costs for such items as continued tax cuts, supplemental funding for the war in Iraq, social security cost of proposed changes, and other items which would increase the deficit well over an additional trillion dollars. During an interview conducted on February 4 by Education Daily, reported by Dave Hubler, Secretary Spellings explained what her top priorities would be this year, "There are two. As I said at the (confirmation) hearing, (to) implement No Child Left Behind in a sensible, workable way, move forward on doing that. The other thing that's a priority
obviously is turning our attention more to high schools and higher education, more to adult learners; bringing some of the principles of (NCBL) into high school, doing more interventions at the 9th grade, and using data to make sure that we will get every single child out of high school as well." When asked about how she would bring assessments into high schools, she noted, "There are going to be lots of different ways to do this. Some states are going to use a criterion-referenced system, some will do end-of-course tests, some will do exit-style across-the-curriculum assessments. I think we're open-minded about how best to do that, and that's what we want to talk to the states about, and that's what we want to work with Congress on." Noting the efforts by the National Governors Association, headed by Governor Mark Warner from Virginia and Governor Haley Barbour from Mississippi, on high school reform, she noted that she was "anxious to work with them and see how they're going to do it." The USED budget summary also stated that the addition of two grade levels of high school state assessments would not become effective until school year 2009-2010. This clearly suggests that the "interventions component" of the Secondary Reform Initiative is the highest priority and that is where the greatest opportunities for many TechMIS subscribers lie (see next item). For a copy of the budget summary go to www.ed.gov/about/overview/budget/budget06/index.html.

Administration Priorities Offer Opportunities in Specific Areas With Federal Niche Markets

Given the likelihood of some reductions in education programs, TechMIS subscribers are advised to consider seriously targeting very specific areas within each of the relevant Federally-funded niche markets with similar types of products which are likely to be in high demand across the different Federal programs (See Exhibit B). This is true even for districts which are tentatively scheduled to receive small Title I increases when Federal and state preliminary funding notifications are made -- most likely next month -- because of: (1) subsequent state adjustments for set-asides coming out of initial district allocations; and (2) an increased number of schools and districts having to earmark more funds for SES, early interventions, and staff development under imposed sanctions under NCLB, and now IDEA.

Most experts agree that many more schools and even districts will be identified for improvement this coming year, compared to last year, as a result of higher proficiency targets included in state plans for subgroups of students. While some states will have their targets reduced, requiring USED approval (e.g., Missouri), these amendments, along with the use of both "confidence intervals" and a larger minimum size for student subgroups for determining whether AYP calculations can be made, will not reduce the number of schools and districts failing to meet AYP as occurred this last year. As a result more district
Title I funds will have to be reallocated from "successful" Title I schools to those "identified" (i.e., which will have to allocate either up to 10 percent for staff development or up to 20 percent for a combination of transportation and SES). USED regulations published in October 2004 did provide some flexibility, allowing the 10 percent earmarked for staff development to be allocated to meet the district's "most pressing staff development needs" -- which may not be in the schools that are identified for improvement for the first time. SES "earmarked funds" would increase even more if SES is allowed as a first option for parents prior to requiring parent transportation options. The likely providers of SES will be the districts themselves, if they are not identified for improvement, affiliated separate groups such as local teacher associations or newly-created teacher entities, and/or independent third-party providers. In addition to earmarks, Title I funds could also be reallocated to serve specific priorities under the proposed Secondary Reform Initiative, which could be created within the existing Title I legal framework thereby requiring little or no additional legislation. These could include the 8th and/or 9th grade interventions and the development of "individual performance plans" for students struggling with math and reading. Also in high demand should be new staff development programs for teachers of mathematics and, to a lesser extent, science.

Under the new IDEA reauthorization, with most provisions becoming effective July 1, 2005, many districts will receive increased IDEA funding which may not necessarily be spent on special education programs. In many districts, up to 15 percent of IDEA funding will be set aside for "early" or "prereferral interventions" for borderline students with reading programs who are also thought to be learning disabled, to be operated at the district level by an entity which is not likely to be in the special education office (see January 19 TechMIS). Many superintendents will also reallocate up to 50 percent of the increase in their IDEA funding to non-special education program activities by reducing their local funding on special education programs by that amount. Supplemental and other products which can be used for diagnosis, prescription, and actual interventions, including related staff development provided by "outside entities," would be the types of products in high demand.

Since NCLB passed, one important factor contributing to districts' increases or decreases in Title I funding was changes in the most recent census count. As was the case last year, largely because of reductions in poverty student enrollments, eleven states suffered Title I cuts, while a state such as Arizona, which had a significant increase in the number of enrolled poverty students, experienced an almost 25 percent increase. Volatility of a district's census count, and hence increases or decreases in its Title I funds allocation, also affects purchasing cycles. For example, if a district is aware that its percent of poverty student counts will increase more than ten percent, it is not likely to carry over unused Title I funds to the following year and will usually spend those funds by June 30 or September 30.
at the latest. Conversely, districts with a reduction in poverty count based on the most recent census will usually attempt to carry over unused funds to "soften the blow" next year.

One also must take into account when the actual Title I allocation is distributed to states and districts. Under the concept of "advanced funding," about 40 percent typically has been allocated to states in July-August, with the remainder after the new fiscal year begins on October 1. However, because of adjustments that have to be made, which vary from state to state, most of the final district Title I allocations have not been made until December through February. Under the President's proposed FY 2006 budget, about $6 billion will be allocated in July 2006 with the remaining $7.3 billion (which includes all of the $600 million increase) not being allocated until after October 1, 2006. Some large urban districts, which receive most of the increases, may project "cash-flow" problems at the beginning of the school year and decide to carry over unspent FY 2005 money to 2006.

Title I Reports, which reviewed the most recent (December) national census numbers for districts, identified the states with a 10 percent or greater increase in poverty estimates and, therefore, which would likely receive increases next year: Maine, Pennsylvania, Minnesota, Kentucky, South Carolina, Virginia, North Carolina, Missouri, and Utah. States likely to receive reductions in Title I allocations for this coming year are New Mexico, Ohio, Oklahoma, New York, and Oregon. At the district level with a few minor exceptions, districts receiving relatively large shares of the $600 million increase last year will likely receive proportional increases this coming year in their share of the $500 million increased appropriation (See March 16, 2004 TechMIS Special Report). When preliminary notifications are made, probably next month be advised that, significant adjustments can be made which could result in wiping out many districts' increases, especially in states experiencing overall Title I reductions.

New Senate Committee Chairman Enzi Takes a Lead Role Proposing Changes to Supplemental Education Services Provisions in NCLB

The Lifetime of Education Opportunities Act of 2005 (S. 9) sponsored by Senator Enzi and Senate Majority Leader Frist, calls for significant, yet sensible, changes in supplemental education services provisions in NCLB and USED regulations. The Senate Democratic leadership would attempt to improve the quality of SES by requiring providers to use highly-qualified teachers. S. 9 calls for a "sense of the Senate" regarding ESEA amendments in several important ways. First, it states: "In keeping with the spirit of the No Child Left Behind Act of 2001, supplemental services should be made available earlier than required by the No Child Left Behind Act of 2001 to those parents who cannot access public school choice." This would generally represent a "flip-flop" by providing SES first before requiring
that parent choice transportation options be made available (see January 2005 TechMIS Washington Update).

As a major proponent of improving quality of instruction (in rural schools), Senator Enzi called for the use of distance education to be used in rural areas "where a variety of supplemental services may not be available." Senator Enzi's support of distance learning is buttressed by the newest Senate HELP Committee appointee, Senator Johnny Isakson (R-GA), who previously co-chaired the Web-based Education Commission while chairing a House Education Subcommittee over the last few years. During the NCTET gala on January 20 where Isakson received a lifetime award, he reaffirmed to a number of us his commitment to online distance learning, especially in rural areas.

And last, the bill says "The Federal government should consider encouraging school districts to offer supplemental services after a school had entered its second year of school improvement." This "sense of the Senate" represents a difference with USED policy under Secretary Paige and Deputy Secretary Hickock, who discouraged districts from providing SES; rather when a district itself is identified for improvement, he supported a policy of disallowing the use of Title I funds by the district for district-operated SES even though the district may have a demonstrated track record of improving student performance generally. Last month, Chicago was told it could not provide SES because the district was "identified" (see related item).

S. 9 would also place a much higher priority on professional development under Title II A, especially for the use of funds to help "teachers to use technology effectively, including use for instructional techniques and the collection, management, and analysis of data to improve teaching, learning, and decisionmaking for the purpose of increasing student academic achievement."

The Democratic leadership companion bill (S. 15) entitled the "Quality Education for All Act" introduced by Senator Bingaman, is very similar to a bill proposed last year by Senator Kennedy and Congressman Miller. It would make many of the regulatory changes made last February and March retroactive to the use of the 2002-2003 test data for determining whether a school or district met AYP proficiency targets. Rather than recommending that SES options be made available to parents before or while offering the transportation option, the Democrat's bill would address, among other things, the high-performing school "capacity" issue by appropriating funds for construction to expand schools capacity. It would also allow, at the state's discretion, the state to ensure that personnel delivering supplemental education services to students are teachers who are highly-qualified. States would also have to ensure that the list of approved providers of SES includes providers that have capacity to provide effective services for children who have limited English proficiency and children with disabilities. S. 15 would also reflect the sense of the Senate in providing funds to states and districts, up to $100 million,
to increase capacity for student database management systems. He also provides funds for the development of high-quality assessment instruments for limited-English-proficient and students with disabilities, including instruments that follow "universal design principles."

The Senate was the moving force last year (compared to the House) in pressing for changes which were "commonsensical" and which would improve the effectiveness of NCLB implementation. This year, the Senate once again will take a lead role. However, this time it appears to be coming from the Republican Senate leadership. It should be noted that, during the January 20 NCTET gala, Senator Enzi also received a NCTET award for his leadership in promoting the use of technology to help improve the quality of instruction in rural schools.

For a copy of the two bills, go to the Senate HELP Committee website (http://help.senate.gov/).

Most States Are Seeking Amendments to Their Accountability and Assessment Plans to "Fix" Problems Created By NCLB Provisions and USED Interpretations: New State Strategies Range From "Hard Data" to NCLB Provisions Which Could Impplode the Act

An increasing number of states are using new strategies for requesting USED approval of amendments to their NCLB Accountability and Assessment plans. April 1 is the USED deadline. Strategies vary from using hard data to justify changes to citing provisions in the Law which forbid Federal intrusion on state curriculum and accountability systems and which allow USED waiver authority. As Scott Young, Senior Policy Analyst at the National Conference of State Legislatures noted in Education Week (February 2), some state strategies are "to work within the language of the law and use some of these tools, like the waiver provision and Section 9527 to really put an emphasis on the state accountability system as an alternative to No Child Left Behind."

Section 9527 states that NCLB cannot authorize USED "to mandate, direct, or control a state, local education agency, or school's curriculum, program of instruction, or allocation of state or local resources, or mandate a state or any subdivision thereof to spend any funds or incur any costs not paid for under this act."

One such state, Utah, which threatened to refuse NCLB funding last year, now in pending state legislation (HB 135), would seek waivers on NCLB requirements and costs to fully implement the law. The state or districts would have to spend their own money which violates Section 9527. Other states such as Virginia and Connecticut are justifying their waiver requests based upon hard data and evidence regarding the unintended consequences of NCLB implementation during the last two or three years. One bill submitted in the Virginia Assembly would conduct an audit of the cost of meeting Federal
NCLB requirements. Another bill would allow the state to offer supplemental educational services (SES) for schools identified for improvement for the first time (rather than provide parents with the transportation option) and SES would be provided only for students that miss their proficiency targets. Connecticut has requested waivers for greater flexibility in several areas including amendments to allow continued testing under their state accountability systems for grades 4, 6, 8, and 10 instead of grades 3 through 8 as NCLB requires. Connecticut continues to be among the highest performing states on the National Assessment of Education Progress. Similarly, Missouri has requested, and received approval, to reduce its 2004-05 proficiency targets for subgroups of students, citing that the same percent of fourth grade students scored at the proficiency level on the state reading test in 2003, as on the NAEP. Rather than having to raise the proficiency bar significantly this year, the state will be allowed to use a more linear trajectory over ten years.

The flurry of state activities now can be attributed to a number of factors. While most of the Republican leadership in Congress and some key Democrat leaders have opposed seeking amendments to NCLB in the recent past, new Secretary Spellings has called for a "reasonable" and "sensible" approach and, as a pragmatist, is felt to be more flexible than her predecessor in addressing "fixes" through the Non-Regulatory Guidance route. In addition to Secretary Spellings' in-depth understanding of the letter of the Law and its underlying intent as well as her perceived pragmatic approach, there is one additional reason for state optimism that some of the unintended consequences of the Law will be "fixed" -- namely, the peer review requirement as part of USED's overall review of state-requested amendments to their Accountability and Assessment Plans prior to the April 1 deadline. If most states submit requests for identical or very similar waivers or other amendments, then such unanimity among state officials reviewing each other states' requests suggest that these changes are likely to be recommended for approval. For example, according to the recent CCSSO report cited in the last TechMIS issue, over 40 states requested but were denied requests to offer supplemental educational services prior to or at the same time with parent transportation options in schools identified for improvement for the first time. Under Secretary Paige and Deputy Secretary Hickock, these last minute requests after the USED deadline, which did not go through the peer review process, were denied. As reported in the Education Week article, peer reviews of proposed amendments from Maryland, North Carolina, South Carolina, Texas, and West Virginia, are scheduled for February 16-19.

As we reported shortly after the passage of NCLB, the negotiated peer review process as another element in the overall legal framework for NCLB provides another avenue by which support for changes of key provisions which had clearly unintended consequences in certain states could be mustered; this, in turn, would allow USED to discover "newly found flexibilities" in regulations
and Non-Regulatory Guidance (as happened last February and March) without generating negative Congressional "oversight."

As More Large Urban Districts Are Identified for Improvement and, Therefore Under Current USED Regulations Cannot Continue Providing SES, AFT and NEA Affiliates Are Likely to Become Major SES Providers in Some Districts

Shortly after USED delivered its ultimatum to Chicago Public Schools that it no longer could provide its own supplemental educational services because, earlier in December, the district itself was "identified" for improvement, a brief item appeared in Education Daily (January 20), noting that the American Federation of Teachers was developing a toolkit to be made available to local affiliates to help them operate supplemental educational services. In that article, AFT Executive Vice President Antonia Cortese pointed to an October 21, 2003, letter to AFT President Sandra Feldman from then Secretary Rod Paige, who acknowledged that highly-qualified teachers in districts with schools identified for improvement could be involved in providing supplemental educational services. He reiterated a Section in the final Title I regulations, issued December 2, 2002, which states: "The final regulations do not restrict in any way the ability of a highly-qualified teacher employed by a school identified for improvement, corrective action, or restructuring from forming an entity that would serve as a supplemental educational service provider or from working for such an entity." He also pointed out that "The Secretary has no authority to limit contractual agreements between teachers and other entities." As we reported several months ago the Clark County (Las Vegas), Nevada NEA affiliate was also planning to provide SES for eligible students from up to 120 schools identified for improvement. Like Chicago, the Clark County school district had also been identified for improvement. Recent discussions with the Clark County Title I office confirmed that the NEA affiliate was preparing a final proposal to be submitted to the state and the district.

What is at stake here for many "identified" large urban districts is the loss of hundreds of millions of SES-earmarked dollars that can no longer be used for district-operated SES programs. These funds could go to outside independent providers, usually at 2-3 times the cost per pupil, which results in a lower number of eligible students being provided SES. Even though the NCLB states that SEAs must use "objective criteria" which demonstrate a "record of effectiveness" in improving student academic proficiency, the Regulations developed by USED published in December 2002 added that schools and districts identified for improvement are not allowed to serve as SES providers. Groups such as the Council of Great City Schools have argued that the Regulations are inconsistent with the intent of Law and that districts like Chicago that have a
"demonstrated record of effectiveness" should be allowed to continue providing SES. In Title I Reports (December 2004), Lindsay Phillips and Lynn Cutler write, "Some observers question the Bush Administration's motives, speculating that it is an effort to promote privatization by driving funds to private providers."

One can speculate that the timing of the AFT announcement so closely following the USED ultimatum to Chicago, could have been tacit acceptance that a regulatory change would not likely occur and that parental acceptance of local teacher union affiliates being selected as the SES provider of choice would be relatively high because the district alternative would not be available. Compared to most outside SES providers, skilled teachers are more likely to be familiar with state and district curriculum objectives and lessons, as well as local benchmark and state assessment domains, which need to be covered; and they are more likely to be able to provide tutoring to eligible students in an identified school without creating transportation and related problems. Another factor that could have potentially affected the timing of the announcement is a growing consensus that USED could encourage the provision of SES prior to or along with the parent choice transportation option; this would increase the number of students and the amount of funds earmarked for SES by districts dramatically. If this policy shift does in fact occur, then districts that have good relations with their local teacher groups could contract with them or specially-created entities to provide SES to eligible students, reducing administrative headaches created by the increased number of eligible students almost overnight.

The notion of teachers' unions serving as instructional contractors is not such a novel idea. Over two decades ago, the late Al Shanker, former head of the United Federation of Teachers of New York (and subsequently the American Federation of Teachers), discussed the possibility of performance contract between the UFT and "110 Livingston Street" (Central Office of New York City Board of Education), to provide such services in some community schools. In fact, the May 2004 USED publication, entitled "Creating Strong Supplemental Educational Services Programs," identifies five districts which have demonstrated successful practices for improving student performance under supplemental educational services funding. Two of these -- Rochester City School District (New York) and Toledo Public Schools (Ohio) -- have contracted with or created joint initiatives with local teacher groups. Secretary Paige visited Toledo to highlight the district's SES program. Last year, Education Week (June 16, 2004) noted that the USED report "doesn't specifically mention either union. But it does urge districts to form relationships with local tutoring providers, even though the state officially approves providers." The Education Week article notes that both of these districts had operated SES-type programs for over a decade as a result of a strong leadership among the respected unions. Former Rochester Superintendent Clifford Janey, who recently became D. C. Public School
Superintendent of Schools, confirmed the vital role of the Rochester Teacher Association in operating the Leadership for Reform Institute, which currently provides supplemental services for several hundred students. When asked if he planned to implement a similar program in the D. C. Public Schools, he was noncommittal but smiled.

According to the January 20 Education Daily article, the AFT is now actively encouraging local affiliates "to establish themselves as tutors," citing the October 21, 2003, policy letter allowing highly-qualified teachers to establish entities to serve as SES providers in their own school or elsewhere, even if their school has been identified for improvement. When asked if the AFT tool kit which is planned for development, will include templates, forms, procedures, administrator, and reporting components from the Rochester and Toledo teacher affiliate SES programs, a spokesperson indicated that the final components of the tool kit have not been decided upon.

For districts identified for improvement who also have good working relationships with local union affiliates, the opportunities for partnering with groups of teachers who create their own SES entities to provide instructional and related software materials along with support and training, could increase dramatically.

Reauthorization of Perkins Vocational and Technical Education Act Likely on a Fast Track in Congress Under Momentum of the President's Proposed Secondary Reform Initiative

On January 26, Subcommittee Chairman Mike Castle reintroduced the Vocational and Technical Education for the Future Act (H.R. 366). Earlier, at a Fairfax County (Virginia) high school, President Bush announced the Secondary Reform Initiative (see January TechMIS Special Report) in which $1.2 billion would be allocated for numerous high school math and reading "intervention"-type activities which happens to be the same amount appropriated for the state grants component of the Perkins Act in the 2005 budget. In addition, the President referred to vocational education as somewhat of a "relic" implying that the reauthorization proposed by The White House will be in the form of a block grant. Over the last two years, the President's budget called for major redirections of the Perkins program with significant budget cuts. As reported in Education Daily (January 31), many observers feel the President's proposed 2006 budget would consolidate the proposed Secondary Initiative into Perkins. This indeed happened as reported in the above FY 2006 budget item.

Reintroduced by Subcommittee Chairman Castle, which passed the Education and Workforce Committee by a voice vote last year (with no recorded
opposition) will be in conflict with many aspects of the President's proposed Secondary Initiative, which would expand many NCLB provisions to the secondary level. As the summary of the resubmitted bill prepared by the Education and Workforce Committee in the House states, "The bill would ensure academic courses for vocational and technical students are rigorous and challenging. It would also support student achievement in core academic subjects, as defined by the No Child Left Behind Act, and emphasize math and science education that incorporates the use of technology." While this is consistent with the President's Secondary Reform Initiative in many respects, the Committee also states, "The bill explicitly rejects federal standards, and instead increases local control and local accountability." The bill "would ensure states are not required to have academic content or student academic achievement standards approved or certified by the federal government in order to receive funds under this law, and would ensure a state's refusal to apply for funds under the Perkins Act does not prevent that state from receiving funds under other federal education programs." Even though similar language is in NCLB, the Administration has a de facto policy of "prescriptive flexibility" in initiatives such as Reading First for which USED has developed and supported "unofficial lists" of approved curriculum and interventions. Many conservatives in Congress who are against a "national curriculum" are likely to oppose the proposed Perkins Secondary Reform Initiative.

In his press release, Subcommittee Chairman Castle argued that "the goal of the Perkins program must be to prepare students with the right combination of academic and technical skills so that they may succeed in whatever path they choose." To achieve this goal the resubmitted bill would:

- Establish a new provision for state development of model "sequences of courses" for vocational and technical program areas and local districts will be required to offer at least one model "sequence of courses."

- Encourage programs providing entrepreneurial education and related activities.

- Require local recipients of Perkins funding to establish local adjusted levels of performance and states could apply sanctions for local recipients who fail to meet performance levels for two or more consecutive years.

- Provide for professional development programs that are "sustained" and "intensive" (vs. one-day or short-term sessions) so that teachers meet certification and licensing requirements "especially in core academic subjects."

While several opportunities for most TechMIS subscribers were noted in the last Special Report on the President's proposed Secondary Reform Initiative, one thing is clear from the House Bill ---
firms targeting the vocational/technical niche market should remove positioning statements referring to "school-to-work," "applied academics," and even "vocational education." And, even though some of the President's proposed Secondary Initiatives may not be incorporated through block grant consolidation, USED regulations and non-regulatory guidance after the reauthorization will be based upon many aspects of the President's proposed Secondary Initiative. For a copy of the Perkins Act reauthorization summary, go to http://edworkforce.house.gov/press/press109/first/01jan/voced012605.htm, or contact Alexa Marrero (202/225-4527).