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Special Report on FY2001 Proposed Budget Has New Wrinkles Clearly Reflecting Clinton Fingerprints for Posterity[8]

A Technology Monitoring and Information Service (TechMIS)
SPECIAL REPORT

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Following an appetite whetting State of the Union message a week earlier, on February 7th, the Clinton Administration released the proposed FY2001 budget which includes some new initiatives as well as redirected ones related to funding for technology. While on the surface it would appear that the budget has Christmas tree gifts for everyone -- which is to be expected in an election year -- one can read into the budget an interesting pattern of priorities, if and when they can be woven together. For some of the new priorities it is likely that the Administration will begin implementing them immediately without Congressional approval or authority, especially those related to hardware donations to convert the "digital divide to digital opportunities". This will generate more pressure on Congress to pass those acts requiring its approval. Below we provide some of the highlights based upon an initial review. Comparative funding levels over the last few years plus the proposed budget are displayed in Exhibit 1.

Overall, the President is proposing a 12.6% increase in discretionary education appropriations which comes on top of a 55% increase over the prior four years, bringing the FY2001 total to $35.6 billion. The proposed budget does not explain how the increase in discretionary funding will get around the 1997 budgetary caps, although in a footnote in the last paragraph of the budget document the Administration justifies "advanced funding" by stating, "as long as similar amount is appropriated in subsequent years there is no impact on recipients." It is, therefore, quite likely that next year even more programs will use "advanced funding" than is currently the case. This will have the effect of reducing the amount of Federal funds received by school districts in July 2001, with a larger remaining amount to be received after October 1, 2001. The impact of advanced funding for FY2000 will likely postpone and extend the purchasing cycle for technology products using Federal funds for this current school year.

For the first time, the proposed initiatives related to School Modernization clearly offer unique funding opportunities for school districts to purchase technology and related services. A total of $1.3 billion in discretionary budget authority is requested for School Renovation, which would support a total of almost $6.7 billion to help LEAs repair and renovate their schools. About $175 million would be earmarked for Empowerment Zones and high-poverty districts, especially those servicing large percentages of Native Americans. Also, the School Modernization Bond proposal would provide tax credits to eliminate interest costs of construction bonds. This would subsidize issuance of $22 billion of special 15 year bonds over the next two years. The School Modernization Bonds would be modeled after the Qualified Zone Academy Bonds (QZAB) which <u>can</u> be used for purchases of <u>equipment, curriculum, and professional development</u>. The current QZAB, capped at $400 million each year, would be increased to $1.4 billion in 2001-02. If the President is able to convince hardware companies to donate new hardware to high-poverty districts, this would constitute the 10% in-kind contribution to qualify for QZABs. Then districts could apply for loans to pay for software, professional development, curriculum, etc. This initiative could create a tremendous demand for products and services provided by many TechMIS subscribers in these Empowerment Zones and Enterprise Communities and other high-poverty districts, particularly those serving large Native American populations. (See related <u>Washington Update</u> item.)

To get started immediately, the Administration would fold the Technology Innovation Challenge Grants and Star Schools programs into a Next Generation Technology Innovation Initiative. One of the three competitions for new awards for FY2001 would be the Mississippi Delta Initiative announced by the President last December which is designed to provide technology-related and Internet training to middle school teachers in the Mississippi Delta region. Another initiative would be the Challenging Course Work On-Line initiative which will support the development of high-quality web-based advanced placement programs and other challenging courses to ensure that high school students in poor, rural, and inner-city schools have access to challenging course work. The Administration would increase from $15 million to $20 million the “advanced placement incentives” which would award grants to states to allow them to cover part or all of the costs of advanced placement test fees for low-income students who enroll in AP courses and intend to take the AP test. The funding increase would allow approximately 75,000 students to take the AP test at subsidized fees.

The Technology Literacy Challenge Fund would increase from $425 million to $450 million with all of the increase to be used to support partnerships that include one high-poverty, high-need district classified as a “technology-poor district” and a “technology-rich" district which would provide mentoring and other assistance. Part of the funds would be used to upgrade technology in high-poverty, low-performing schools.

On the staff development front, the proposed budget would consolidate Title II with Goals 2000. Funds would be used to support sustained intensive content-based professional development. For-profit developers would work with LEAs, etc., in such development efforts. Ten percent of state grants could be used to revise academic standards and develop assessments while $60 million would be allocated to SEAs for higher education competitive grants. Remaining funds would be distributed to districts on both a formula and competitive grant competition basis. Several other professional development activities include:

- $40 million requested to establish 20 regional leadership centers to provide training for principals and superintendents; such centers would involve businesses and colleges, among other groups;

- Teacher Quality Incentive competitive grants funded at $50 million for high-poverty schools having the greatest success in increasing the percentage of certified teachers and minimizing out-of-field teaching;

- Doubling to $150 million funding for Preparing Tomorrow's Teachers to Use Technology which would allow funding of approximately 175 new capacity building grants, 120 new implementation catalyst grants, and 160 catalyst continuation grants. Most of these funds go to institutions of higher education.

The biggest winner, both in the President's proposed budget and most likely in Congressional passage will be the 21st Century Community Learning Centers initiative which would more than double from $453 million to $1 billion. In addition, a 50% matching requirement would be included, which would support approximately 1,400 new grants as well as continuation of the existing 6,400 before- and after-school projects. Priority would be placed on schools which have the greatest need for extended learning opportunities and have been identified as "failing" or "in need of improvement" under state accountability or Title I. The focus would be core academic achievement. In the past, a priority was placed upon safe haven, violence prevention, and related safety aspects of after-school programs. This initiative has received wide support from the Republican leadership in the past although supporters like Senator James Jeffords, Chairman of the Senate Subcommittee on Education, would like to see the program broken into two parts with one part administered by the Department of Health and Human Services.

Among the formula programs whose funds are used to purchase technology products and services, special education (IDEA) would receive a 5.5% increase to $6.4 billion or approximately $825 per special education student served. While the Federal contribution under IDEA would represent only 13% of the total national cost of special education, this Federal pot pays for well over 50% of the purchases of technology and other instructional materials. Over time this percentage should increase as districts may receive direct reimbursement under the Child Health Insurance Program (CHIP) for the cost of related services which are now paid for largely through IDEA funds. The amount of freed-up funds could be between $500 million and $1 billion annually under the $48 billion four-year CHIP program. Also proposed is a 20% increase to $41.1 million for the assistive technology initiative which subsidizes purchases of assistive technology for individuals with disabilities.

At first blush Title I would receive slightly over $400 million increase; however, $250 million would be earmarked for states who in turn would provide technical assistance and/or financial support to low-performing schools (about 6,500 nationwide). Also, some of the funds would be used to cover the costs of transportation, etc., for students whose parents would like to have them transferred to a "better school", which is a new choice option to be implemented for the first time this school year. Guidelines have yet to be developed. Among the subcategories, Migrant Education would receive a $25 million increase which would allow approximately 750,000 students of migrant families to receive instruction as they proceed up and down the migrant trails. The Comprehensive School Reform Demonstration Program (CSRD) would receive a slight increase of $20 million to a total of $240 million. Approximately 600 schools would receive grant awards this school year and 300-400 new awards would be made the following year. Under CSRD, a school adopts a model program which may or may not be on the CSRD "list" and purchases external assistance for implementation; at least $50,000 a year must be budgeted over a three-year period (See related <u>Washington Update</u> item). The Administration has also proposed the $50 millions Recognition and Reward line item which would provide incentives to states which demonstrate significant state-wide gains in student achievement. However, the gains would be measured by the National Assessment of Education Progress; most software and other publishers have aligned their materials with national norm-referenced tests used as part of state accountability systems rather than NAEP tests; over the last few years in some states students who perform relatively high on national norm-referenced tests do poorly on NAEP tests in math, reading, and writing.

Other programs receiving moderate increases are Bilingual and Immigrant Education (mostly for professional development) and Title IV Drug Free programs under which the next round of grants would be more heavily targeted to a limited number of high-need districts and all products must meet the new "principles of effectiveness criteria". In another surprise, the proposed budget would increase "Tech Prep" by $200 million with all of the increase coming for the state grants allocation, claiming this would increase the use of distance learning technology. The Office of Education Research and Improvement under USED would receive increased funding for a variety of research projects including collaborative efforts with NSF to develop and assess large-scale "interventions of promising practices and technology in complex and varied learning environments"; research on learning for limited-English-proficient students; and "objective and existing school reform models and strategies under CSRD".

The Administration has proposed a dramatic change in the way Comprehensive Regional Assistance Centers operate. Under the proposed system, states and large school districts would receive direct formula grants which could be used to purchase technical assistance that "best meets their needs". Currently, funds are provided directly to the Comprehensive Regional Assistance Centers. In addition, the Office of the Secretary would provide "information on the quality and effectiveness of technical assistance to help states and districts make informed choices." This proposal will be strongly opposed by various associations representing Regional Education Labs and Centers; however, it is strongly supported by conservative think-tank groups such as the Heritage Foundation which has a number of key Republican supporters in Congress.

Under post-secondary education most of the increased funding would be in the form of tax credits or deductions to encourage more students to enroll in post-secondary education programs. However, a 60% increase is requested for the GEAR-UP program (now in its second year) which provides guidance counseling and academic enrichment programs for middle school students who plan to go to college. The "TRIO" program would receive an $80 million increase for a total of $775 million; this program provides remedial education and support services for poor students who enter college. The Title III Aid for Institutional Development program would increase from $240 million to $295 million. Much of this funding is used to provide special services including technology-based remedial programs, for entering freshman in colleges with large percentages of minority enrollment.

Closing Comments

Many Washington pundits are predicting the Clinton budget proposal will be "dead on arrival". However, because a number of the proposed initiatives fit nicely under existing programs' authority, it is very likely the Administration will implement of some of these initiatives immediately, reallocating existing funding or increases in discretionary funding. For example, the President has called for the initiation of the Mississippi Delta Project on April 9th when he and Silicon Valley hardware manufacturers who would make donations will embark upon visitations to Empowerment Zones in the Mississippi Delta states. Senate Majority Leader Trent Lott (R, MI) is likely to support this initiative. The tax deductions under School Modernization fit nicely under the existing QZAB program. However, as in the past, the Administration's premature implementation of new initiatives has resulted in some unintended consequences. Finalization of guidelines and regulations would appear to be critical.

Digital Opportunity Proposal Could Provide Greatest Opportunities for TechMIS Subscribers Among Proposed FY2001 Budget Initiatives

By redefining the problem from the "digital divide" to "digital opportunity", the Clinton Administration is proposing a massive undertaking in the form of tax credits and deductions for vendors donating equipment etc., which in turn could create specific opportunities for providers of technology-based solutions and services. As noted in several previous TechMIS reports and Washington Update items, the digital divide defined as numbers of students per computer was just about equal last year and will be more favorable in high-poverty schools when this year's NCES report comes out. Hence, the Administration has redefined the nature of the digital divide from quantitative numbers to qualitative access, not only in school but also at home, particularly for students in low-income areas. While the press has picked up the significant increase in funding for teacher technology training, which is also included, some of the greatest opportunities may be for content and service providers and the areas to target upon will likely be less than 150 geographical locations across the country.

At the heart of the proposal is $2 billion in tax incentives to encourage private sector activities, such as computer donations and leverage about $6.5 billion in seven-year no-interest loans. The $2 billion ten-year tax incentive initiative is unique in that it allows donations not only to schools, but also libraries and community technology centers, but also that the "enhanced" deduction allows companies to deduct more than the cost of their donation. It extends donations through June 30, 2004. The "enhanced deduction" is intended to allow companies to deduct more than the cost of their donation. If it means the suggested retail price, then this certainly a boom for hardware manufacturers and/or vendors that sell hardware as a major component of their solution. For those vendors willing to sponsor schools and community technology centers, tax credits for up to $16 million would be provided in each of the 31 Empowerment Zones the ten proposed new Empowerment Zones, and 80 Enterprise Communities. This represents a potential of $1 billion in annual sponsorships in the form of tax credits. The initiative would also include tax credits on technology training provided to workers by employers in these Empowerment Zones for up to $5,200 per employee. The primary focus here would be on workers who have not received a high school degree or its equivalent. The proposed budget for community technology centers would increase from $32.5 million for FY2000 to $100 million in FY200. An additional $50 million would be provided for a public-private partnership to expand home access to computers and Internet for low-income families. These funds would be provided in the form of competitive grants for public-private partnerships at the local level, which could include local school districts, high-tech companies, and others. Ten million dollars would be earmarked for Native Americans to develop careers in information technology and other technical fields with support provided by the National Science Foundation. An additional $70 million would be allocated under existing programs operated by the Department of Commerce to promote innovative applications of information technology for under-served communities and to expand bandwidth in high-poverty areas.

Aside from the new proposed funding levels, the proposed initiative would also leverage additional money which neither vendors nor school districts are taking advantage of to any significant extent. One such program is the Qualified Zone Academy Bonds (QZAB) Initiative created in 1997 and funded at approximately $400 million per year over the last two years. Under this initiative school districts could obtain loans if they are located in Empowerment Zones, etc., and create partnerships with the private sector. Recently, the program was extended for two more years with the allowance that funds that had not been allocated in the forms of loans could be carried over to the current time frame. Such of the recent allowable uses of such funds include the purchase of necessary equipment, curriculum development, and staff development including technical assistance. By allowing the suggested retail price of hardware to be used for donation deductions by vendors, then a hardware donation to a public school-private partnership under QZAB could cover the 10% in-kind contribution necessary for obtaining the loan and then the remaining portion of the loan could be used to pay the cost of staff development, technical assistance, and other directly-related costs to the vendor or other group.

To mobilize this new initiative Clinton will be convening groups of high-tech CEOs, non-profit agencies, and others for the "new markets trip" during the week of April 9th, which is designed to close the digital divide and create digital opportunities. It is likely that the trip will be similar to the one conducted in eight Delta states poverty Empowerment Zones before Christmas 1999, with the MCI Foundation where they announced the partnership Internet training initiative using the Marco Polo developed Internet training kits (discussed in November TechMIS mailing). The Administration feels there is definitely a Federal role in creating incentives to help the market mechanism work more effectively in thin education markets such as high-poverty areas where society generally benefits from a more technology literate citizenry in these communities. TechMIS subscribers who are interested in how they might participate in some of these initiatives should feel free to give me a call. We will continue to provide updates on these initiatives which will be implemented, to varying degrees, before passage of the FY2001 budget next October.

Congress and USED Tying-Up Loose Ends on FY2000 Budget

When Congress passed, and the President signed, in November 1999, the FY2000 budget the were a number of “loose ends” that needed to be settled before presentation of the FY2001 budget by the President; in addition, some of the line items passed by Congress needed authorizing language before funds are to be made available.

In the Appropriations Act, Congress mandated USED cut the appropriations by .38% (or about $120 million), however it could cut no single program by more than 15%, to protect many of the earmarks for technology and other pork barrel projects included at the last moment by Congressional leaders. As noted in our last TechMIS mailing, Title VI was indeed identified as a priority budget cut item, which reduced the final appropriation for FY2000 by $14.3 million to $365 million. Title VI has not been an Administration priority, although Republican leadership in Congress has supported it because of its “block grant” nature. Title IV/ Safe and Drug Free Schools received a $5.8 million cut to $440 million. In the end, USED did cut some of the technology-related pork barrel earmarks under Title III Innovation Grants by $2.5 million, plus an additional $5 million of pork barrel cuts in other programs. Most of the cuts came from Pell Grants.

Shortly before its passage, ranking Democrat David Obey, with bi-partisan support, was able to earmark approximately $45 million for a demonstration program to assess the impact of smaller high schools and different high school configurations (e.g., schools within schools, academies, etc.) on student performance and safety. Toward the end of the session, several bills along this line were introduced, but not passed. One bill offered by Senator Jeff Bingaman, called the Small Safe School Act (S1674) describes the types of activities to be supported including community grants for schools within schools, provision of technical assistance, and renovations to schools to accommodate smaller numbers; $110 million would be authorized. Under high school renovation, technology planning and infrastructure would be an allowable expense. Congressman Byron Hill of Indiana, has proposed the Smaller Schools Stronger Communities Act (HR3044), which would provide grants to districts to create, among other activities, schools within schools. This particular bill reflects the position of the National Association of Secondary School Principals since the release of its report entitled “Breaking Ranks: Changing an American Institution”, which recommends that the 21st Century high school be more student-centered, and above all, much more personalized with intellectual rigor.

It is very likely that funding for the creation of “technology-rich environment” may be allowable use of such funds under one or more components of legislation which is likely to pass early in this Congress if for no other reason than to provide some authorizing language for money which has already been appropriated. Congressman Obey was one of the chief sponsors of the Comprehensive School Reform Demonstration Act of 1997, which even though it was passed late in the session, did have very detailed authorizing legislation, including the identification of 17 model programs which districts could adopt under this initiative.

If Congress decides not to pass any new legislation technically it could revert to Title X of ESEA in which Congress wrote into the law a program designed to help districts restructure large high schools. Working under Title X authority the Department is developing guidelines which would likely fund planning grants of between $25,000 and $50,000 and implementation grants of between $250,000 and $500,000. Applications will be available in April with grant awards in September 2000. As with the 21st Century Community Learning Centers initiative, the number of applications will likely far exceed those that will be funded; however those that are rated highly are likely to receive funding automatically after the budget for FY2001 is finalized. The President has proposed to increase the budget for the initiative from $45 million to $120 million.

As a result of increases in certain programs in FY2000, the Department has moved very quickly in several areas. First, it has already allocated TLCF and Goals 2000 funding to states, who in turn will be conducting next rounds of funding. Because of the large number of highly rated proposals submitted under Learning Anytime Anywhere and Community Technology Centers, the Department is likely to use the additional new funding to provide grants to those highly-rated proposals which were not funded during the first round. While the Learning Anytime Anywhere initiative generally involves universities and colleges, the CTC initiative, which places a priority on the creation of centers in Empowerment Zones, should be a priority target for many TechMIS vendors. While there is no planned new competition for Star Schools and the Technology Literacy Innovation Grant Program, USED is preparing a new round of grants for the Preparing Teachers Initiative now referred to as PT3, which received a significant increase in proposed funding in the President's proposed budget.

ESEA Reauthorization

Once Congress returns, it is likely that it will have only 100 working days before it recesses for the national elections. ESEA reauthorization must occur before September 20th, unless Congress passes, and the President signs, an extension.

As in the past, the House is much ahead of the Senate in terms of reauthorization. The House has already passed its version of Title I, and teacher-related staff development initiatives, including Title II, Title IV, among others, under the Teacher Empowerment Act of 1999. It will now focus on the "catch-all programs" needing reauthorization. The most likely programs to go to mark-up earliest will be Impact Aid and Even Start. Last on its priorities are OERI appropriations, which include a number of discretionary programs and the Regional Education Labs, which could be a bone of contention.

The Senate is hoping to have a draft of its ESEA reauthorization in early February. It will likely be similar to the draft discussion paper, which Senator Jeffords staff prepared last fall, as described in the November 1999 TechMIS mailing. While the House version maintains Title III Technology Literacy as a separate program, the Senate version includes current Title III under a new Title V, however it does have provisions related to technology under all other provisions which is similar to the 1994 ESEA reauthorization. USED officials would like to see the current Title III remain intact as is. Thus far neither the Administration or Congress has proposed Goals 2000 reinstatement following its recision for FY2001 in the FY2000 Reauthorization Act.

Comprehensive School Reform Demonstration Act: Update

The Comprehensive School Reform Demonstration Act of 1997 created by Congressman Obey and Senator Porter (based on proposed legislation from Regional Education Laboratories and New American School model developers), has been the topic of a number of recent USED reports, articles, and "legislative discussions." Below is an update on this controversial initiative -- the current state of implementation, some of the lessons learned, findings related to effective school reform implementation, and some new guidance, all of which may have implications for some TechMIS subscribers.

Implementation Status

Based on information collected by the Southwest Education Development Lab on CSRD awards, approximately 1,750 schools have received grants averaging about $70,000 per year. About 15% of the first year's allocation of $150 million had not been allocated through competitive grants by states as of January 2000. As we reported last summer, a number of SEAs are spending an enormous amount of time in the application and review process, and in some states applicants have been told at least three times to revise their proposals prior to being awarded grants. Most of the second round grants will be continuation grants as second year funding was slightly less than the first round. For the third round (FY2000) the states grant initiative was increased by approximately $50 million plus an additional $50 million supporting general aspects of Comprehensive School Reform as noted in the December 1999 TechMIS mailing.

The initial legislation identified 18 models that had been "proven to be effective and were research-based". Not surprisingly, most of these were models developed by Regional Education Labs or New American School developers. However, of the 1,700 schools receiving awards thus far, only about 1,000 were models included on the original list or an updated version which now includes slightly over 40 models. During the third round funding, USED anticipates approximately several hundred new grants will be made. In the past, of the 1,750 awards 1,500 went to Title I schools with 1,100 being school-wide programs. Approximately 1,200 were schools that had been "targeted for improvement" under Title I (e.g., did not meet state annual yearly progress criteria for two consecutive years), or were designated as "critically-low-performing" under state accountability systems. As noted later, under new guidelines the opportunities for models "not on the list" may be greater during this round.

Of the 1,750 models adopted, the most prevalent across states were Success For All (251), Accelerated Schools (122), Lightspan (107), Direct Instruction (62), America's Choice (60), Roots and Wings (54), Coalition of Essential Schools (53), High Schools that Work (51), Co-NECT (49). Approximately one year ago, the American Institutes for Research conducted a re-analysis of data submitted by model developers for five national education groups, and concluded that only three of twenty-four programs included in the sample could provide strong research evidence that they worked. This cautionary note from AIR appears to have been at least one factor that encouraged new guidelines to at least allow schools to consider more seriously models not on the list for possible adoption. Currently, only one of the models on the list uses technology extensively solutions (Co-NECT), while others do complement their core program with technology-based supplemental programs. While many TechMIS subscribers have justifiably criticized the process as being unfair, the entire evaluation process currently being used precludes the use of recently-advanced technology and telecommunication components because experimental control evaluations have to be conducted over a multi-year process.

Components Found Among Successful Reform Initiatives

A number of studies and surveys conducted by USED and independent university researchers in Tennessee and Texas appear to agree upon a number of components and features that appear to be prevalent in successfully implemented Comprehensive School Reform Initiatives. One common component is the constructive use of test and other assessment/evaluation data on student performance and extensive on-going monitoring of student progress. As reported in Title I Reports (January 2000) Joe Johnson, head of the Dana Center at the University of Texas at Austin, re-evaluated 26 high-poverty schools, which "turned around"; all had one thing in common which was they "worked comprehensively to understand their strengths and needs and tried to identify strategies that would effect everything that happens at the school to build capacity of teachers and others at the school at the school so that they have a chance of successfully implementing the reforms and continually monitoring their progress along the way". Other components which appear to be associated with successful implementations include: a strong parent involvement component; teacher commitment to high standards for all children; careful long-term school-wide planning involving staff to ensure buy-in.

One of the components required under CSRD is that the developer of a model adopted by a school provide extensive external assistance. Indeed, one of the recommendations in the recent USED report entitled "CSRD in the Field: Fall 1999 Update" recommends that more fruitful relationships with external model developers and other technical assistance providers need to be developed by schools and districts. While many of the model developer groups have created separate profit or non-profit organizations to provide such external assistance, it is clear that in some cases, good quality control assurances do not exist, or the external assistance/school "interface problem" has not been solved.

Updated CSRD Guidance Levels the Playing Field -- Somewhat!

One of the new set of guidance provisions discourages the use of professional grant writers to prevent model developers from blanketing states with templates and boiler plate applications for schools wishing to adopt their models. The guidance calls upon states to place a low priority on proposals reflecting "off the shelf designs" which are not connected to individual school needs. Nor can CSRD funds be used to pay grant writers or for other planning costs. Parenthetically, it should be noted that several of the model developers have received additional funding to provide "external assistance"; several have been criticized for using such funds for "marketing" and "proposal development" purposes. The degree to which individual states will follow USED guidance is uncertain, however many more will do so than if such guidance were not available.

Another provision indicates that if a Title I school is awarded a CSRD grant, then such Title I funds can be used to meet the needs of specific Title I students; if on the other hand the awardee is a school-wide program, then such Title I funds can be used to serve all the students. It seems to be a little inconsistent to have such a provision that differentiates between Title I school-wide programs and targeted assistance schools when the overall objective is comprehensive total school reform. Moreover, the current models on the list which are of a pull-out nature are limited to a handful. Another important provision instructs states to provide second year funding to grantees only if substantial progress is being made; and if a school wishes to discontinue an adopted model, the SEA should review whether or not the alternative is consistent with the original school proposal and whether it meets CSRD for adoption and funding. This particular provision could provide some opportunities for TechMIS subscribers, especially in those situations where the model developer is no longer capable of providing external assistance, or are not meeting their overall obligations.

In a recent conversation with Congressman David Obey, one of the CSRD co-sponsors, he indicated that CSRD needs time to "prove itself" and that he is not interested in calling for significant increases in funding until after three years operational experience and an opportunity to review the results. As the USED field report indicated, implementation in some states has been extremely slow and cautious, while some states appear to be successfully implementing the initiative on time. Although there have not been many opportunities for TechMIS subscribers who are not on the CSRD list, the opportunities for collaborative efforts, providing technical support, or providing supplemental products appears to be growing, especially under the new guidelines. Anyone who is interested in discussing such opportunities, please give me a call directly.

Congressional Web-Based Education Commission Holds First Meeting

The Congressional Web-Based Education Commission created largely by Senator Bob Kerry (D-NE) held its first meeting on February 2nd in Washington D.C. As with new commissions, many members had not met other members prior to the meeting; the Commission meeting was on the one hand somewhat clumsy with members "jockeying" among each other, but at the same time insightful in pointing out many issues which it needs to address before submitting its final report to Congress in November 2000. The first order of business was adoption of its mission, which occurred:

> "To ensure that all learners have full and equal access to the capabilities of the World Wide Web, and to ensure that on-line content and learning strategies are affordable and meet the highest standards of education quality. The Commission intends to recommend to the President and Congress policies to assist education leaders at all levels incorporate web-based learning strategies to improve education and achievement."

Some of the better known Commission members among the education technology community include Senator Jeff Bingaman (D-NM), Congressman Johnny Isakson (R-GA), and Representative Chaka Fattah (D-PA). Other members include Nancy Pfund, Hambrecht and Quest Private Equity Group, and Sue Collins, Senior VP, bigchalk.com and formerly Senior VP Jostens Learning Corporation, and John Gage, Sun Microsystems. The remainder of the members come from a variety of fields and have backgrounds related to the Internet. The Commission is directed by David Byer, formerly of SIIA, whose insights will be critical to the success of the Commission in generating appropriate policy recommendations.

The Commission, however, will be directed, without question, by Senator Kerry, who during the first meeting presided almost all of the time, with the exception of a phone call he took from one of the several presidential candidates. And, rather than skirt around the issues Senator Kerry, in his opening statement, asked the tough questions that the Commission must address:

- "Does technology necessarily improve achievement;
- Does increased use of education technology mean less human interaction between teachers and students, and if so what is the consequence of that loss;
- When it comes to education, is technology cost effective?"

Some of the additional questions to be addressed during the year by the Commission are:

- "What are the real costs associated with full implementation, utilization of World Wide Web for learning, including cost of maintenance, infrastructure, training, technical support, and content development?

- What is the potential of the Web for equalizing access to learning opportunities; and what are the remaining barriers for technology access and how may they be addressed?

- What is the potential of the Web to improve achievement among adults and individuals with learning disabilities?;

- What business models in web-based content development and delivery have the brightest promise?;

- What are existing pitfalls affecting growth in the market?"

Some of the highlights from witness testimony are noted below.

Secretary Riley alluded to the new Clinton initiative "Digital Divide to Digital Opportunity" and that the third round of E-Rate aggregated demand was greater than that for the first two years. The Secretary reminded the Commission that 25% of all technology expenditures come from Federal funding sources and the percentage is much higher, up to 50%, in high-poverty schools. He also indicated that one area in which the digital divide appears to be growing quickly is with disabled students at the post-secondary level, which he feels will be a new priority in the President's budget for FY2001. When asked the question of what is the benchmark of students-to-computers ratio in achieving "reasonable access", the Secretary reiterated the Department's goal of five students per one computer. Another witness strongly argued that the ratio should be one-to-one. Secretary Riley was also asked about how quality content can be ensured. In a somewhat surprising response, he indicated that one alternative is to "educate the user so they can discern whether or not content is of high-quality". He clearly said the investment should be in staff development of teachers who will through their demand function result in quality content developed by the private sector. To this end, he suggested something like the recent CEO forum guidelines be developed related to the assessment of quality content for use by teachers and other school officials as a self-assessment instrument. He also suggested that the Commission focus on the access issue for all students and target dollars to high-poverty schools, including post-secondary institutions, particularly with respect to students with disabilities.

Regarding the issue of developing quality content, one of the Commission members suggested that more R&D funds be given to Regional Education Labs who would then determine what types of contents and format school districts need and develop such content. In a follow-up to the quality issue, Linda Roberts, who accompanied Secretary

Riley, noted that the Commission should consider dramatic alternatives such as quality content being provided at no cost versus private sector development and selling content, as the Internet provides opportunity for new types of business models for generating revenue streams for companies.

The most relevant testimony, during the first day, which focused on some issues to be addressed by the Commission was presented by Dr. Martha Dean, Superintendent Wetzsel County School. Hunger School was a recipient of a Secretary's award last July, and is a one-to-one computing high school which uses the NETSchools solution. Over a two year period, some of the findings which they have compiled, which she feels are a good surrogate of the effectiveness of the program include:

- Daily Internet access has occurred for 80% of the students compared with 26% last year;
- Eighty-seven percent of students use a network computer daily compared to 24% prior to implementation;
- Home use occurred by 78% of students compared to 48% before NETSchools;
- Seventy percent of students access Internet from home compared to 37% prior to implementation;
- Ninety percent of students say that they frequently use Internet in classroom compared to 66% six months earlier.

She was a strong advocate of every student having access to the Internet when they need it wherever they are.

For TechMIS clients who wish to have specific issues presented to the Commission, contact me directly.

Highlights of National Title I Conference

Topics during the annual National Association of State Title I Directors Conference, held in San Antonio January 30 - February 1st, and attended by 2,400 registrants, addressed several emerging issues in Title I as reported in Title I Reports; highlights are noted below.

Newly confirmed Assistant Secretary for Elementary and Secondary Education, Mike Cohen, addressed current accountability requirements under Title I stating forcefully that state Title I offices will have to meet the final assessment requirements that are supposed to be in place by September 2000. He indicated that USED would be willing to bring sanctions to bear on states who did not meet their deadlines including withholding state administrative funding, or even withholding Title I program funding destined for school districts. He encouraged states to get their overall plans and descriptions in as quickly as possible so they could be reviewed in their entirety. States should be honest in pointing out areas where they are not likely to meet the requirements. The requirements and guidelines to be used by the "peer review process" were described in the November TechMIS mailing. State Title I Coordinators identified many of the barriers standing in their way to meet the requirements including lack of funds to build or purchase tests, resistance from Governors, conflicts with state regulations and law. Cohen acknowledged the existence of such problems reflecting upon his experience while with the National Governors Association and education policy research groups. He did assure the group that the Administration will attempt to fend off any attempts to change the current accountability requirements under Title I, such as those proposed by the House, that would halt implementation of the existing assessment requirements.

One astute Title I policy observer noted that Cohen certainly has a grasp of the policy issues related to Title I. However, he questioned whether or not he has the practical experience in implementing provisions among the states in an attempt to get around unique state obstacles.

Susan Wilhelm, one of the most competent USED officials in the national Title I office, has been given the difficult job of providing guidance to districts in implementing the new "choice mandate" in the FY2000 appropriations act. She indicated that states will have a great deal of "flexibility" deciding which Title I schools receive portions of the new $135 million school improvement/choice appropriation. One issue is whether or not Title I funds will follow students who chose to go to a school that does not qualify for the new assistance. Another issue is whether districts which have schools designated as "low performing" must offer choice or whether or not the requirement applies only to those that receive new school improvement funds. In some states, the state allocation for Title I school improvement could be awarded on a competitive basis, while in other states funds could be allocated on a priority basis based upon schools with the longest time in being "targeted for school improvement". In any case, not all districts with schools that have been targeted for improvement within a state will receive funds. A question also exists whether or not a charter school, which for Federal funding proposes is designated as an LEA, could qualify as "another public school within the district". Also if the district has limited capacity then how does one select a specific number of students from a much larger pool within a low performing school who would qualify to go to another school. Alternatives range from a ranking procedure to a lottery system.

The bottom line regarding the new choice mandate is that virtually all state Title I directors believe it will create an administrative "nightmare" with all sorts of unintended consequences and without question uneven implementation across the states. As noted in the TechMIS report last fall, associations such as AASA are working closely with USED in developing guidance which will hopefully minimize such administrative disruptions although they are likely to occur to some degree in any case. The $135 million set-aside for this program constituted the majority of the total increase in Title I funding in FY2000 and the proposed FY2001 budget. One effect on technology purchases will be a reduced dollar amount for such purchases. Also, to the extent implementation of this new provision creates other types of uncertainties, this may also affect purchasing cycles.

Richard Long, Executive Director the National Association of State Title I Directors, and its chief lobbyist, was optimistic about the ESEA Title I reauthorization, particularly as Chairman Goodling has separated Title I from other ESEA components. He indicated that several changes will likely occur such as minimizing the use of paraprofessionals certainly for direct instruction, and a greater Title I priority will be placed on early childhood intervention programs. Even though Long noted that the President did not mention Title I in his State of the Union Address, he argued that there is a tremendous opportunity to get a major increase in Title I funding for FY2001. In the past, Congress has seldom appropriated major increases in a program during the year of reauthorization hearings.

One interesting tension that seemed to be surfacing during the Title I Conference according to one Title I observer was between Title I "targeted assistance schools" and Title I school-wide programs. Most of the focus and funding changes, etc, have addressed Title I school-wide programs as part and parcel of Title comprehensive school reform efforts. An increasing number of Title I directors at both the state and district level are increasingly supporting targeted assistance schools which provide comprehensive solutions for <u>specific students</u> in a school. This has some very direct implications for the whole comprehensive school reform set of initiatives (see accompanying article).

Highlights of CCSSO State Technology Coordinators Conference

Under the umbrella of the CCSSO, State Technology Coordinators met in Washington, D.C, in mid-January to address the issue of “preparing teachers to meet the challenge of new standards with new technologies.” Although teacher preparation was supposed to have been the focus, very quickly the relationship between accountability, assessment, and technology arose as it did a year ago as the primary concern. Respected researcher, Chris Dede, George Mason University, reiterated comments made a year ago at the conference regarding how assessment is driving what is taught and current assessment instruments are not designed to assess specific skills students can develop through the use of technology. Jack Jennings, former committee staffer who wrote ESEA in 1965, and Dennis Doyle, a supporter of choice programs such as vouchers, both agreed that assessment must be the “next frontier”. Jack suggested strongly that technology should be used as part of the assessment process and argued that testing and credentialization will be a way of life during the next few decades. Both Doyle and Jennings agreed that “equity and access” to the Internet should be a primary Federal policy objectives in order to reduce the digital divide between the “haves and have nots”. Both suggested several radical approaches. For example, Jennings suggested giving dollars to poor families to purchase personal computers if they agree to work with their children in conducting homework. About three weeks later, the Clinton “Digital Divide, Digital Opportunity” initiative was announced, which would provide such assistance. Doyle, who is an ardent supporter of healthy competition as a means of school reform, conceded that vouchers as such a means was a “spent force” and that other alternatives need to be generated. Some of these alternatives may involve the use of “accelerated technology.

The highlight of the conference was a presentation by FCC Chairman Kennard, who was very upbeat related to the E-Rate, and expressed gratitude to the CCSSO and other education groups in contributing significantly to its successful implementation. He argued that the next priority for full implementation of technology purchases with E-Rate discounts is staff development, calling for state and Federal resources to help in this area. He also indicated a great need for “more data” from the field about how technology is improving the performance of students in order to build the case with Congress for E-Rate’s compelling success. This will be particularly challenging because the projected demand for E-Rate discounts in the third round was approximately $4.7 billion -- larger than the first two years combined. Kennard also recognized the “digital divide” and began laying a foundation for changing the definition of the divide from sheer ratios of computers to students or teachers to more qualitative factors. In a Q&A session following his presentation, he made the statement that his vision for the future is that “every student has computer access at their desk or anytime anywhere when they desire it.”

As part of his closing comments, he mentioned a new initiative which staffers indicated is his pet project for education, which is referred to as “low-power FM program”, which he defined as small community-based radio stations that broadcast between one and three miles in radius. He argued that this would provide a vitally needed resource to schools, churches, and community groups in reaching their immediate neighborhood. Several days after his presentation, the FCC approved, by a sizable majority, his proposal. It is anticipated that strong opposition will come from the large commercial broadcast companies arguing that such FM stations will create static interference.

After his presentation, I mentioned to Commission Kennard that the estimated level of E-Rate generated "refunds" through the BEAR process during the first round was approximately $1.2 billion and that a large percentage of that money is being used for purchasing additional technology. His comment was a "rather broad smile". For additional information about the conference contact Art Sheeky, (202) 326-8689.

E-Rate Update: Round Three Aggregated Demand Two Times Greater Than $2.25 Billion Cap

The “aggregated demand” for round three of E-Rate discounts was projected to be $4.7 billion which exceeds by a wide margin the $2.25 billion cap established by the FCC. Unless the cap is increased, only those applicants with 80% or more poverty will have their “internal connections” approved. Under the FCC established “rules of priority”, all Internet access and telecommunication services must be funded first, which is estimated to be in the neighborhood of $1.4 billion. Of the $4.7 total aggregated demand, internal connections were estimated to be $3.2 billion or almost 70%. The total number of applicants was approximately 36,000 of which 28,000 filed on-line, which will facilitate early processing and notification.

During the February 9th service provider conference call, many telecommunications service providers urged that the SLD discontinue the use of the BEAR process during the third round. A representative of one group indicated that school district technology coordinators insisted on using the BEAR process to request checks for retroactive costs of products and services in order that they could be use to purchase other technology. One of the unintended consequences of service providers billing applicants for the discounted price (rather than the entire cost and then returning the discount later after approval) was that such discounting would result in money left over in the district’s telecommunications budget, which would either lapse or be carried over for telecommunications during the second year. This money could not be spent on other technology as would be the case if the BEAR process were used.

While SLD officials were aware of the fact that some districts had chosen to go with another service provider which did not discount but rather supported the BEAR process, they indicated that some type of retroactive mechanism would have to be available to cover those applicants whose approval notifications were relatively late or those involved in appeals process, which were finally considered “meritorious”. Regarding the BEAR process, SLD officials told service providers to encourage applicants who missed the December 15th, deadline for completing the BEAR for the first round, to submit the BEAR application <u>now</u> which would likely be approved. They also acknowledged that during the second round approximately $300 million was left over. The FCC is deciding whether to fund applicants who filed “outside the window” or whether to carry the funds over to the third round.

Those firms which sell E-Rate eligible internal connections products (i.e., file servers) should target schools with 80% or greater poverty <u>and</u> districts with large amounts of BEAR refunds during the first two rounds.

DOL Issues Guidance For New WIA Youth Component Which Will Provide Expanded Opportunities for TechMIS Subscribers

On July 1st the JTPA Summer Youth Program officially ends and the WIA new youth service components are to be initiated. In most quarters, providers operating JTPA Summer Youth Programs in the past will be having to make significant changes in services offered and will be seeking more than WIA funding to make up anticipated deficits. On January 31st DOL issued non-regulatory guidance for the implementation of the Comprehensive Youth Services under WIA for the summer 2000. The guidance specifically identifies components and allowable expenses for activities such as the "use of technology to explore websites and facilitate communication", citizenship training, and development of positive social behavior skills.

WIA Comprehensive Youth Services consists of ten program elements which are grouped around four major themes:

- Educational achievement improvement including tutoring, study skills, alternative secondary school offerings, and drop-out prevention strategies;
- Preparing for and succeeding in employment, including occupation and life skills training;
- Support services for youth, including guidance, counseling, and mentoring;
- Develop youth potential as citizens and leaders.

The guidance specifically states that WIA does not authorize stand alone summer programs as in the past even for youth currently enrolled in JTPA and being transitioned into WIA. In the past, approximately two-thirds of all JTPA summer participants were provided academic enrichment and achievement activities. However, such services can continue but must provided on a structured year-round basis.

The new WIA targets out-of-school youth with a minimum of 30% of WIA funds being targeted for programs for this population. All youth participants must receive some form of follow-up services for a minimum duration of 12 months after exit from one of the ten program elements. Follow-up services may include adult mentoring and tutoring and "use of technology to explore websites and facilitate communications."

While DOL encourages governors to use the 15% set-aside for funding youth services in high concentration areas, it recognized that additional funding sources may have to be leveraged by local service providers. Some of the suggested potential resources included Private Sector Summer Jobs campaign and Work Opportunity Tax Credit program.

Through the passage of Welfare to Work and child support amendments of 1999, out-of-school youth may now qualify for WTW funding in a number of areas including job readiness and placement, subsidized employment, pre- and post-employment training, on-the-job training, work experience, and support services. Another potential funding source is Youth Opportunity Grants and Youth Offender grants (go to http://www.yomovement.org).

Under the WIA several measures will be used in determining progress on the part of participants. One is skill attainment which must be assessed within 12 months in the area of basic skills, work readiness skills, or occupational skills. All youth who are determined basic skills deficient – defined as at or below the 8th grade level – must have a basic skills goal. Another progress criterion is diploma/equivalency and retention measures for students who exit the program. The guidance strongly encourages continuation of basic skills development beyond the summer period. One of the new state functions being emphasized is state dissemination of information about best practices.

While implementation of the new WIA will vary across states in terms of approaches undertaken and time frames, the WIA initiative is much more likely than old JTPA to create a demand for technology-based solutions which are effective in producing results, can assist in monitoring in participant progress, and can be used for follow-up support. And, a higher priority is being placed on out-of-school youth than 13-17 year old in-school youth as in the past. Within each state a Youth Council has to be created which will have state-wide leadership responsibility and some authority.

Political Pressures Mounting to Increase Funding for Summer Job Program Under WIA

With the new Work Force Investment Act (WIA) becoming effective July 1st, pressures are mounting to ensure additional funding for the Summer Youth and Training Program (Title II JTPA) which is being replaced by WIA. The emphasis in WIA is to provide services to in-school and out-of-school youth on a year-round basis. For FY99, the JTPA component received about $1 billion and under the funding mechanisms and discretion allowed states under WIA, many groups, such as the US Conference of Mayors, are concerned that adequate funding will not be available to serve the estimated number of participants projected for enrollment.

In the past, Title II JTPA has been used as a joint funding source by school districts who contracted with Private Industry Councils to operate remedial programs during the summer using Title I purchased equipment as well as software. The revenues received by the school district under the contract -- between $1,000 - $2000 per student – were used in part to purchase additional software for use in Title I during the regular school year. The intent of WIA is not to do away with this source of joint funding, but to streamline the process and provide more intensive services over an extended time frame for these youth (see related item). If Congress is not willing to provide a supplemental appropriation for this summer, then it is likely that some of the USDOL discretionary funding sources targeted upon out-of-school youth will be used to take up the slack.

The name of the association representing the Workforce Investment "community" is The National Association of Workforce Boards (NAWB), formerly known as NAPIC. The NAWB 2000 Forum will be held on February 27-29th in Washington DC. For more information about NAWB go to http://www.nawb.org.

Blueprint for Producing and Maintaining Skilled Work Force Presented to Vice-President Gore

Following the Gore-created summit in January 1998 on developing 21st Century work skills for minorities, a coalition of leaders of business, labor, and government have submitted a new report to Gore entitled "Skills for a New Century: A Blueprint for Lifelong Learning." This particular report is likely to become an overall strategy which Vice-President Gore will emphasize during the campaign process, and the likely one that would be adopted, if he is elected President.

Some of the more relevant recommendations to TechMIS subscribers are:

- Improve access to financial resources to lifelong learning for all adults including those in low-wage jobs:

- Promote learning at a time, place, and manner that meets worker needs and interests, including the use of technologies to enable learning at home, the workplace, and elsewhere;

- Encourage and motivate adults to pursue further education and training and informed in the resources available to help them to do.

Included in the action plan over the next few months are the following:

- A National literacy summit in February, hosted by the Reader's Digest Fund and Harvard University National Center for Study of Adult Learning and Literacy -- leadership from the US Chamber of Commerce, AFL, National League of Cities, among others;

- A funding initiative headed by GTE in combination with the Communication Workers of America in which GTE customers will donate approximately $1 per month for literacy efforts on their monthly telephone bill; in partnership with four states, USED will develop a series of family literacy/distance education programs which will be made available to ABE, Even Start, and Head Start programs at no cost throughout the country;

- A increased contribution by AT&T to the Hispanic Scholarship Fund;
- A initiative by ACE which will produce a new generation of GED tests in conjunction with the University of Wisconsin and USED will make the external diploma program (a performance-based high school credentials program) on the Internet;

- Expansion of the National Association of Manufacturers Virtual University to include access to basic adult education, GED equivalency, and ESL materials;

- An initiative headed by the American Council of Education and the AFL/CIO to increase the number of adults taking the GED test to one million per year versus about 600,000-700,000 currently.

Unlike many reports involving initiatives by a host of organizations, this report could have immense staying power for a number of reasons. A primary behind-the-scenes facilitator of the preparation of the report and initiatives was the National Institute of Literacy which is headed by Dr. Andy Hartman, who was legislative assistant to Chairman Goodling for many years. In addition, the recommendations however broad, have bi-partisan support and are controversial, at least at first blush. And last, many of the initiatives are co-sponsored by organized union and the National Chamber of Commerce.

A copy of the report is available on the National Institute of Literacy Lincs at http://www.nifl.gov/nifl.skills/htm, or call 1-877-423-7828 for a copy.

New NCES Report Finds State Library Agency Expenditures Vary

"State Library Agencies Fiscal Year 1998" provides useful up-to-date information on state library activities, services provided, collections, and a variety of other types of data. One interesting set of statistics relate to expenditures of state library agencies and sources of expenditures. Of the total $860 million, on the average approximately 80% comes from state sources, 17% from Federal sources, and 2% from other sources. Of the total amount of revenues received by state library agencies from state sources, slightly over $500 million (seventy percent) was designated for state aid to libraries while the remainder came from other sources which could vary from year to year, including lotteries. In five states, over 90% of expenditures were from state sources including Georgia, Massachusetts, New York, West Virginia, and Maryland. Federal funding accounted for 15% of total expenditures with 84% of that total coming under the Library Services Technology Act. On the low side of state contributions were Wyoming (51%) and the District of Columbia (37%). The amount of Federal funds used for expenditures by state library agencies ranged from highs of 63% (D.C.), 36% (Louisiana), 32% (Oregon), 33% (Texas), to states with less than 10% of total expenditures coming from Federal sources, including Georgia, Maryland, Massachusetts, New York, and West Virginia. It should be noted that the data collected for this report were prior to notifications of E-Rate discounts during the first round of approvals. The title of the report is State Library Agencies Fiscal Year 1998 – publication number NCES 2000-318.

Achieve/McREL Database of State Academic Standards Now Accessible on Achieve Website

The joint effort between Achieve and McREL (Mid-Continental Research for Education and Learning) has culminated in a searchable database of K-12 standards in English language arts, mathematics, science, and social studies from more than 40 states. During a press conference in Washington DC on February 8th, the joint venture (along with on-line publishers, New York Times Learning Network, and Classroom Connect) demonstrated the database and how it can be used. For example, state policy makers can review and compare their standards with those of nearby states re the coverage by grade level and other dimensions. Classroom Connect, which provides weekly lesson plans on topics for subscribing teachers, has aligned such lesson plans with state standards so that a teacher can quickly identify where the lesson plan fits into which state standard. At the request of a limited number of states, Achieve is also attempting to determine the degree to which state assessment instruments are aligned with state standards. During a question and answer period, Achieve officials indicated that the results of their evaluation are provided to the state who can in turn decide whether or not to release the findings. Indiana recently released results of the Achieve evaluation. The other states which have asked Achieve to conduct similar evaluations are North Carolina, Michigan, Illinois, Pennsylvania, and Oregon.

For firms and publishers who wish to correlate their lessons and other materials to a state's standards, this database can be extremely useful. It is not clear whether or not a publisher can claim that its materials are aligned with the Achieve state standards without developing some type of a relationship with Achieve, as New York Times Learning Network and Classroom Connect have already done. Also during the Q&A period, it was noted that most publishers are more interested in aligning their materials and lesson plans with the state assessment instruments rather than general state standards. Achieve officials were also reminded that few publishers attempt to align their materials with the NAEP which is one of several sets of "standards" which are incorporated into the overall database.

For more information go to the Achieve website – http://www.achieve.org, or contact Dr. Robert Schwartz (617) 496-6300.

Congress Begins to Address USED Lists of "Proven Practices and Models"

For the first time, Congress is beginning to address the role of USED in identifying "promising practices" in subject as well as technology areas which is exactly what Congress mandated USED to do in 1994. The first eruption occurred in hearings over the so-called "math wars debate". Not only has USED identified math programs and products that were "exemplary" or held "promise", but it has also directed the creation of an expanded list of proven models on the so-called CSRD list and has an unofficial list of products which meet the "principles of effectiveness" in order to be purchased using Title IV Drug Free funds.

During hearings before the House Education and Workforce Committee, Subcommittee Chairperson Michael Castle, former Republican Governor of Delaware, recognized the limited role of the Federal government in influencing choice of math curriculum, but also felt that "the Federal government must take care not to use that influence to pressure state and local schools to use implement national math standards". One might expect the next release of proven "subject matter" instructional materials will invoke a similar response to "math" list which will add fuel to the debate.

In the meantime, the New American Schools group has established a 16-member blue ribbon panel which will identify criteria and standards which should be met by model programs to be recommended for "list of proven models". Several of the New American Schools supported models, over the last decade, were on the initial list of 17 included in the 1997 CSRD legislation. The blue ribbon panel is also using a New American Schools drafted set of standards as a starting point. The list of members of the blue ribbon panel includes heads of most education associations, and some MAQ "outsiders" such as Kati Haycock, Executive Director Education Trust, Diana Lamb, Superintendent Providence Rhode Island. One can honestly question the intent of the New American Schools group which has a vested interest in ensuring that the model programs which it funded and developed over the last decade are widely-represented on subsequent list.