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M E M O R A N D U M

DATE: August 4, 2005
TO: TechMIS Subscribers
FROM: Charles Blaschke
SUBJ: Reading First Influence on Other Programs, FY 2006 Appropriations,
August Recess Break Amidst Unfinished Business

Enclosed is a Special Report on the current and future impact of Reading First provisions on other Federal programs, with citations from a recent policy brief written by Dr. Gerald Bracey and a preliminary report on the implementation of Reading First by the Center on Education Policy. The policy brief by Bracey, who also is a columnist for Phi Delta Kappan, cites allegations of unethical practices and conflicts of interest surrounding the design and early implementation of Reading First. The CEP state survey findings clearly demonstrate that Reading First provisions are perceived to be “strictly enforced” by USED and that the criteria for scientifically-based research in Reading First differ significantly from other Federal programs such as IDEA and even Title I. The CEP report calls Reading First “a sleeper,” suggesting that it could have significant impact on the types of products and services purchased in programs such as Title I in the future.

In addition to the Special Report, Washington Update items include:

- The Senate Appropriations Committee rejects the Administration’s proposed new initiatives and restores many of the proposed cuts by the House which increases the probability of the education budget being included in an Omnibus Bill which will include across-the-board budget cuts.
- The Senate Appropriations Committee Report goes beyond the numbers by communicating Congressional intent to USED which includes urging USED to provide clear guidance to Reading First Technical Assistance Centers that Reading First materials decisions are to be made at the district level, subject to approval of the state, and not by Reading First Centers or USED generally.

- Highlights from a new Government Accountability Office (GAO) report which suggests new opportunities are being created for products and services to assist states in implementing “alternative” or “modified” assessments for gap students and in what likely states these opportunities exist.
- During the recent Education Industry Association Eduventures conference in Baltimore, speakers addressed new opportunities in high school reform initiatives and new IDEA Special Education niche market while many veteran tutoring companies are still shying away from becoming a supplemental education services provider under NCLB mandates.

Earlier this week, Congress took its annual August break, planning to reconvene in early September to deal with “unfinished business.” One area is reconciling differences between the House and Senate Committees’ proposed appropriations level for FY 2006. While education technology advocate groups were successful in restoring proposed White House zero funding of the Title II D E²T² Technology Grant Program (\$300 million in the House and \$425 million in the Senate), one should not assume that the final level would be the midpoint between the House and Senate versions. Similar to last year, the final mark could be even less than the proposed House level. And, should there be an omnibus appropriations bill involving numerous agencies, the likelihood of an across-the-board cut could result in cuts in Title I and IDEA, as noted in one of the Washington Update items.

Another piece of unfinished business is extending the exemption of the E-Rate program from under the Anti-Deficiency Act (ADA). Last year, when the White House Office of Management and Budget (OMB) ruled that E-Rate fell under the ADA, funding commitment letters to applicants approved for E-Rate discounts slowed down dramatically until December when, at the last minute, Congress did pass a one year exemption of E-Rate from ADA. With this exemption running out this December, bills with approximately 40 sponsors each have been submitted in the House and Senate to extend the extension for exemptions by at least six months. Many observers believe that if the extension is not passed by Congress in a separate bill or included in the FY 2006 appropriations reconciliation in September or October, many districts will not apply for E-Rate funding because of funding uncertainty in the future. In a related item, under the leadership of the new FCC Chairman Martin, a Notice of Public Rule Making (NPRM) is requesting suggestions for improving overall management of the E-Rate program and ways to reduce fraud and abuse. Initial comments are to be made in September with opportunities for additional comments on FCC proposed recommendations by December.

If anyone has any questions or wishes to be part of any advocacy group which supports education technology generally and continuation of the E-Rate program, contact Charles Blaschke directly.

P.S. Today’s Education Daily has a lead article entitled “OIG May Probe Allegations of Reading First Favoritism.”