

The Education Report

A weekly report of public policy issues in American Education from

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Labor-HHS-ED Appropriations

Late Wednesday night, House Appropriations Chairman C.W. Bill Young (R-FL) introduced a spending bill (H.R. 5320) for the Departments of Labor, Health and Human Services, and Education that exactly mirrors the President's \$130 billion dollar budget request for programs under its jurisdiction. Fueled by the seeming inability to secure more funds for the Labor-HHS-Education bill and leadership's decision not to address any other appropriations bills until this bill is completed, Young and Labor-HHS-Education Subcommittee Chairman Ralph Regula (R-OH) agreed to force a vote on a bill representing the President's numbers. The crux of this strategy is to see the bill fail. If the bill fails, as many appropriators expect, it will have demonstrated that the President's numbers are too low, thus forcing the House leadership to realize that more funding will be required to pass a spending bill this year.

Young has stated that appropriators have not decided if they will take the bill to the floor without bringing it up in committee. Although many appropriators want the bill to go directly to the floor to avoid a difficult and time consuming committee vote, House Speaker Dennis Hastert (R-IL) has stated that he would prefer that the bill go through the markup process before going to the floor. However, Young does not view the prospects of passage in committee as favorable, saying, "There are many Republican members on the Appropriations Committee who will not vote for it."

Young was referring to members of the group of 30 or so House Republican moderates who have expressed discontent with the President's funding levels for this spending bill. Seemingly led by Michael Castle (R-DE), these moderates will not be satisfied until additional funds are provided. Castle was quoted saying, "We intend to vote against [this bill].... [The bill] has to be cured by additional funds."

This bill could be brought up as early as next week once leaders have decided what venue will host the initial proceedings. The Senate Appropriations Committee has already passed their Labor, Health and Human Services, and Education spending bill. Their bill, S.2766, exceeds the President's total by \$3.543 billion, providing \$134.132 billion in budget authority. The Senate is expected to wait at least until the House Appropriations Committee has reported a bill before taking their bill to the floor. As of now, prospects for a final conference-passed spending bill being agreed to before the targeted October 4th recess date seem bleak.

House Education Committee Approves Loan Forgiveness Bill for Teachers

On September 5, the House Committee on Education and the Workforce approved S. 5091, the Canceling Loans to Allow School Systems to Attract Classroom Teachers Act – CLASS Act. Unanimously endorsed by the Committee, the bill creates a new discretionary loan forgiveness program up to \$17,500 for qualified teachers who meet current requirements of teaching 5 years in a Title I school. The bill was sponsored by Rep. Lindsay Graham (R-SC). A version of it was put forward in President Bush's 2003 Budget Request.

Current law, enacted as a part of the Higher Education Act Amendments of 1998, provides for a mandatory loan forgiveness program of \$5000 for full time teachers who have been employed for five years in high poverty schools who become borrowers on or after October 1, 1998. This bill enables loan forgiveness to be as high as \$17,500, however the additional funds must be appropriated. As amended, the bill includes five categories of priorities for the additional funds. They are: special education teachers, teachers of math, teachers of science, teachers in districts identified by states as having the most difficulty meeting the highly qualified teacher requirement in No Child Left Behind (NCLB) and spouses of those killed or disabled in the September 11 tragedy.

The bill that was brought to the Committee by Mr. Graham included only special education teachers as a priority for loan forgiveness. The following four amendments were passed which expanded the priorities.

Rep. Miller's (D-CA) amendment gives priority to teachers who are teaching in high need schools in districts which are identified by the states as having the most difficulty meeting the highly qualified teachers requirement in NCLB. The amendment passed on a voice vote, but Mr. Graham noted that they may need to work on the language to ensure that if two schools are similarly situated, a school that is doing a poor job at recruiting would not benefit over a school that is doing a great job of recruiting.

Rep. Holt's (D-NJ) amendment gives math and science teachers the same priority for loan forgiveness as special education teachers. The amendment passed by voice vote.

Rep. McCarthy's (D-NY) amendment provides for loan forgiveness for the spouses of firemen, police officers, emergency workers and members of the armed services who were killed or permanently disabled on 9/11/01. The amendment passed by voice vote.

Rep. Kind (D-WI)'s amendment requires LEA's to notify rural schools about the availability of funds under this provision. It passed by voice vote.

Four amendments were defeated.

Mr. Miller (D-CA) introduced an amendment to make the program mandatory instead of discretionary. Chairman Boehner (R-OH) noted that he supported this amendment, but could not support it unless offsets for the cost were found. He indicated that Members on both sides of the aisle had been working hard to find offsets but were unsuccessful. The Chairman felt that without offsets, the bill had no chance of getting to a vote in the full House. The amendment was defeated on a party line vote of 19 to 16.

Mr. Kildee (D-MI) introduced an amendment to begin loan forgiveness in the first year of service and increase it gradually through year 5. Teachers would still receive the \$17,500 in loan forgiveness, but it would be immediate with amounts forgiven starting in year 1. (Year 1: \$2,000, Year 2: \$2500, Year 3: \$3,000, Year 4: \$4,500, Year 5: \$5,000). Chairman Boehner commented that the amendment was well intentioned, but that it may undermine the goal of ensuring retention among new teachers. The amendment was defeated along party lines with a vote of 21 to 18.

Mr. Holt (D-NJ) introduced an amendment to provide for loan forgiveness for qualified teachers in the areas of math and science, similar to the provision for special education teachers. However, his amendment was mandatory. The Chairman indicated that this amendment would likely pass if it were not mandatory (as it did as noted above). The amendment was defeated by voice vote.

Ms. Woolsey (D-CA) attempted to introduce an amendment to make child care provider loan forgiveness mandatory rather than discretionary. Mr. Graham objected on the grounds that the amendment was not germane and the Chair ruled that the amendment was out of order.

The next step for this bill will be to proceed to the House floor. No comparable bill has yet been acted upon in the Senate.

Senate HELP Committee Adopts The National Science Foundation Doubling Act, S.2817

On Thursday, September 5th the Senate HELP Committee, on a unanimous vote, adopted S. 2817, the National Science Foundation Doubling Act". Beyond proposing a 100% increase in funding for NSF over the next several years, the bill significantly amends Title II Part B of the No Child Left Behind Act by repealing that provision in the ESEA bill and moving the authorizing to NSF. For the next 2 years the program would be operated as a national competitive grant program by NSF, with consultation by the Department of Education. In year 3, the program would shift back to the Department of Education and convert to a state formula grant. The funds received by the SEAs would then be competed among interested partnerships in each state.

Math and Science teachers, with the support of the NEA, the AFT, the Council of Chief State School Officers, the American Association of School Administrators and others had urged the Senators, if they remained determined to consolidate the 2 programs, to retain a provision that would have converted the program immediately to a state based formula grant rather than a national competition. It is their view that a national competition run by NSF will discourage the application of those districts who need assistance the most. A state formula grant program would provide every SEA with funding to encourage the development of partnerships that, by law, must include the poorest, lowest performing schools. The bill was adopted with the trigger mechanism omitted.

Now the bill moves to a conference with the House Science Committee. Interested groups will continue to work to craft an acceptable compromise bill, as the House adopted measure authorizes a competitive math science partnership grant program at NSF and does not amend NCLB.

Senate Banking Committee Hearing on “The Importance of Financial Literacy Among College Students”

The Senate Banking Committee convened a hearing on Thursday, September 5th on the topic, “The Importance of Financial Literacy Among College Students”. Chairman Paul Sarbanes (D-MD), in his opening remarks, spoke of the problem of credit card abuse among young people—the result of a poorly educated student body, easy prey to zealous bank marketers. He applauded Senator Chris Dodd (D-CT) and Congresswoman Louise Slaughter (D-NY) for legislation they had both introduced that would address this issue by limiting access to credit cards for individuals below age 21 unless they had co-signatures, an independent means of support, or had completed a financial management skills course. S. 891, the “Underage Consumer Protection Act”, has been brought up in the Senate several times and defeated through the lobbying effort of the banking and financial services industry, according to Senator Sarbanes.

Joining the Chairman at the hearing were Senators Dodd (D-CT), Corzine (D-NY), Johnson (D-SD), Bayh (D-IN), Reed (D-RI), Carper (D-DE) and Gramm (R-TX), a common theme among all Senator’s statements was to speak to the importance of credit cards as a financial tool for society—a tool that provides critical access to credit but must be used responsibly. Senator Gramm was the lone spokesperson in favor of unfettered access to credit, praising lending institutions for wisely contacting college students early in their career as a smart, profitable business development strategy.

A recent study by the Jumpstart Coalition was quoted several times, bemoaning the lack of knowledge among college students about how credit cards work and the extraordinary debt they accumulate. Beyond overuse of credit cards by college students, senator Dodd talked about a “looming financial crisis’ in the nation over public indebtedness. He, along with Senators Gramm, Sarbanes and Johnson said education was in large part the solution. In their view, financial and economic literacy must be addressed, as well as measures to end predatory practices, to adequately address this problem. Senator Dodd

assured his colleagues he intended to add S. 891 to the next Higher Education Act reauthorization bill.

Witnesses at the hearing included Robert Manning, Professor at Rochester Institute of Technology; Ellen Frishberg, Johns Hopkins University, Tally Hart, The Ohio State University, Michael Staten Georgetown University and Jonathan Miller, Treasurer, commonwealth of Kentucky. To access this testimony on the web please visit: http://www.senate.gov/%7Ebanking/02_09hrg/090502/index.htm. Testimony is also available by contacting William Bavinger at Washington Partners.

President Bush Meets with Educators on No Child Left Behind

President Bush hosted a meeting in the White House East Room on September 5 to discuss how states are proceeding with implementing the requirements of No Child Left Behind. People from around the country were invited who have had success in implementing the new law. The President noted that the purpose of the meeting was to tell people that change is possible. He insisted that the nation must do away with the soft bigotry of low expectations. He acknowledged that the law was criticized for promoting too much testing, however he defended testing as central to accountability.

Among those acknowledged was Joyce Coppin of the New Teacher Project in New York City. Through alternative certification and an intense recruiting campaign, her district hired more than 2000 teachers this year.

The President cited Indiana's program posting a comparative analysis of school performance, along with teacher's credentials, on the Internet as a useful accountability tool. It also helps to keep parents and the community informed, he noted.

The President concluded by urging Americans to be willing to challenge the status quo when it is failing, to insist that every child can learn and to raise the bar for student achievement.

Secretary Paige to Deliver Back To School Address on September 9

Secretary Paige will give his Back-to-School message on Monday September 9 at 1 PM the National Press Club. His speech is entitled "Confronting Challenges to Change." The National Press Club annually invites the Secretary of Education to speak as a part of its regular weekly luncheon series. The speech will be webcast live and available via satellite at:

<http://www.ConnectLive.com/events/deptedu>~~<~~<http://www.ConnectLive.com/events/dept.edu>

107th CONGRESS, 2nd SESSION

TENTATIVE SENATE CALENDAR 2002/ NON-LEGISLATIVE PERIODS
Tom Daschle, Majority Leader

September 16 (Mon.) Yom Kippur (NO VOTES)

October 4 Target adjournment