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2017 Budget Deal Defers Fierce Fights Over K-12 Funding

Title I, spec. ed. boosted; battles ahead for 2018

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Despite talk of significant education budget cuts on the horizon under President Donald Trump, the agreement reached in Congress for the rest of the federal spending year provides increased funding to the two largest programs for public schools at the U.S. Department of Education: aid for disadvantaged students and for students with disabilities.

And several smaller line items that appeared to be on the chopping block would either escape the budget ax through Sept. 30 or receive small increases, although the same can't be said for a large teacher-oriented portion of the K-12 budget.

But this agreement reached late last month wouldn't necessarily protect education and other domestic programs from getting across-the-board cuts to pave the way for more defense spending once negotiations get going in earnest for the fiscal 2018 budget, said Julia Martin, the legislative director at Brustein and Manasevit, a Washington law firm focused on education issues. That's the first full budget year Trump and the GOP-controlled Congress will have say over.

"This is not the big battle that we will worry about," Martin said of fiscal 2017. "The big fight on funding is going to be fiscal 2018."

Boost for Title I

The single biggest line item for K-12 in the budget, Title I grants for disadvantaged students, would get a \$100 million increase in the rest of this budget year compared with fiscal 2016. The total for grants in the deal would be \$15.5 billion, although that includes \$450 million in money that was already slated to be shifted from the now-concluded School Improvement Grant program.

And special education grants to states under the Individuals with Disabilities Education Act, the second-largest K-12 funding stream at the department, would rise by \$100 million, up to \$12 billion. The office for civil rights and charter school grants would also receive relatively small increases in the deal.

Head Start—the federal preschool program, which is run by the Department of Health and Human Service—would get an \$85 million boost, up to \$9.3 billion.

The most prominent loser in the K-12 budget is the Title II state grant program for teacher-related issues like professional development—the deal would lop off \$294 million from fiscal

2016 funding levels, down to about \$2.1 billion. That could be a bad sign for Title II down the road. Although the cut doesn't match the 50 percent reduction Trump sought for Title II in fiscal 2017, the president does want the Title II grants eliminated for fiscal 2018.

Excluding Pell Grant college-tuition assistance, discretionary spending at the Education Department for fiscal 2017 would be approximately \$45.8 billion, virtually unchanged from fiscal 2016, according to an analysis published by the Committee for Education Funding. Including Pell and mandatory funding, total department funding would be \$71.6 billion.

Changes for ESSA Block Grant

Lawmakers agreed to provide year-round Pell Grants and kept Pell funding level at \$22.5 billion. In the deal, Preschool Development Grants also got \$250 million, the same amount as the program received in fiscal 2016.

For a new block grant created by the Every Student Succeeds Act and covering K-12 technology, arts, health, and other areas, Congress appropriated \$400 million for fiscal 2017. That is well short of the \$1.6 billion authorized for this Title IV block grant under ESSA, but higher than an earlier proposal of \$300 million from the Senate for fiscal 2017.

The spending bill actually changes the terms of the block grant. States could now distribute this money competitively but must set aside certain percentages of the grants for different areas such as educational technology, although districts don't have such constraints if they get money through the process.

That change could provide state chiefs with a decent amount of leverage to set their policy priorities if they award Title IV funds through competitive grants instead of through a formula. Creating a new competition, however, can be tricky. And states might decide to avoid the political risks of picking winners and losers in a grant competition.

"Unless the state is very determined and has a clear plan on how to use these funds, these funds are still largely at the discretion of the district," said David DeSchryver, a senior vice president at Whiteboard Advisers, a consulting firm, who studies federal grants. "It's likely easier to let this go forward as a formula program."

Conservative analysts weren't thrilled with the budget agreement.

Neal McCluskey, the director of the Center for Educational Freedom at the libertarian Cato Institute in Washington, said he was "disappointed but not surprised" by the lack of major education cuts in the fiscal 2017 deal. He said GOP lawmakers are afraid of being accused of cutting K-12 programs, even if those programs don't seem to be effective.

McCluskey pointed to a 2015 Brookings Institution Study of the 21st Century Community Learning Centers program, which funds after-school and other enrichment activities, that reported the program "doesn't work." (Trump wants to eliminate the program in fiscal 2018, but the fiscal 2017 budget actually increases its fiscal 2016 funding by \$25 million.)

"You'd think there'd be more enthusiasm for cutting K-12 with this Congress and White House," McCluskey said.

Martin of the Brustein and Manasevit law firm, though, said the 21st Century program has patrons in Congress, in part because local law enforcement likes having the after-school programs there for children.

"It gives them somewhere productive to be," Martin said.

McCluskey was pleased that the D.C. Opportunity Scholarship Program, which provides vouchers to students in the nation's capital, will be extended through the rest of fiscal 2017 at the same level as the previous year, \$45 million, although he added he was hoping for an expansion of the program in the near future.

But the deal also prohibits the federal Institute for Education Sciences from conducting further randomized controlled trials of the program. One such study released last month **found negative effects on academic achievement for students using vouchers** compared with those in traditional public schools and charters in the District of Columbia. Instead, the evaluation can be done "using an acceptable quasi-experimental research design," according to the budget deal.

In a statement, American Federation of Teachers President Randi Weingarten praised the increases for IDEA, Head Start, "and other programs that help kids and strengthen our schools and communities. Congress should follow this blueprint to invest in public schools in the 2018 budget as well."