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TO: Members of the State Board of Education
FROM: Lillian M. Lowery, Ed.D. *Lillian M. Lowery*
DATE: March 25, 2014
SUBJECT: Federal Update

PURPOSE:

The purpose of this agenda item is to brief the State Board of Education on the proposed federal fiscal year 2015 budget recently released by President Obama.

EXECUTIVE SUMMARY:

On March 4, 2014, President Obama released his budget proposal for federal fiscal year 2015. The Administration is requesting \$68.6 billion in discretionary appropriations for the Department of Education in fiscal year 2015, an increase of \$1.3 billion, or 1.9 percent, over the fiscal year 2014 level.

At the national level, the FY 2015 budget flat funds most of the existing formula grants. Exceptions include:

- \$349 million (15%) decrease in Improving Teacher Quality State Grants (Title IIB)
- \$100 million (0.9%) increase in Special Education funds (IDEA, Part B)
- \$3.3 million (0.8%) increase in IDEA Infants and Families funds

For the effect on Maryland's formula programs, please see the attached chart.

BUDGET PRIORITIES:

The 2015 budget request for the Department of Education is similar to the 2014 request. It is focused on six priorities:

- (1) Expanding High-Quality Preschool Programs
- (2) Increasing Equity and Opportunity for All Students
- (3) Strengthening Support for Teachers and School Leaders
- (4) Promoting Educational Innovation and Improvement
- (5) Improving School Safety and Climate
- (6) Improving Affordability, Quality and Success in Postsecondary Education

New proposals include:

Expanding High-Quality Preschool Programs

- **\$1.3 billion in 2015 to launch a 10-year, \$75 billion investment in the Preschool for All program (mandatory funding).** Allocations to states would be based on States' relative share of 4-year-olds from families at or below 200 percent of the Federal poverty level. States that already provide universal high-quality preschool for 4-year-old children from families at or below 200 percent of the Federal poverty level would be able to use program funds to provide high-quality, full-day kindergarten for children from low and moderate income families or, if this is already provided, to provide high-quality preschool programs for 3-year-olds from families at or below 200 percent of the Federal poverty level. Participating States would be required to contribute non-Federal matching funds, with a reduced match in exchange for serving additional children from middle class families for States that reach benchmarks related to the percentage of children from low- and moderate-income families served. The President has proposed to fund the program by increasing the federal tobacco tax.
- **\$500 million in discretionary funding for competitively awarded Preschool Development Grants** to help build State capacity to implement Preschool for All and to scale up high-quality programs in targeted communities that could serve as models for the Preschool for All initiative. Funds would be awarded to States with preschool systems at various stages of development.

Increasing Equity and Opportunity for All Students

- **\$300 million for a new Race to the Top Equity and Opportunity competition (RTT-Opportunity)** centered on improving the academic performance of students in the Nation's highest poverty schools. This proposal would create incentives for States and school districts to make comprehensive changes in how they identify and close opportunity and achievement gaps. Building on previous reforms and existing Federal investments like Title I and Statewide Longitudinal Data Systems, grants would support: (1) developing and implementing systems that integrate data on school-level finances, human resources, and academic achievement; and (2) developing, attracting, and retaining effective teachers and leaders in high-poverty schools. Grants would also fund evidence-based practices, such as increasing access to rigorous coursework and activities that mitigate the effects of concentrated poverty, such as enhancing school climate and culture. Data would be used to identify the greatest disparities in opportunity and performance as well as effective strategies to address them so that all students are prepared for college and careers.

Strengthening Support for Teachers and School Leaders

- \$200 million for a new **ConnectEDucators** initiative that would help educators transition to using technology and data to personalize learning and improve CCR instruction and assessment. The goal of the ConnectEDucators program is to ensure that teachers and leaders with access to high-speed Internet and devices for students, including those in schools supported through the Administration's ConnectED initiative, are well prepared to use these resources in a way that improves classroom instruction and student learning. Funds would provide support for educators in creating and using high-quality open digital learning resources and content aligned to CCR standards; using mobile devices and digital tools to personalize learning and implement new assessments; analyzing real-time data to understand and improve student outcomes; using technology to personalize student learning and to increase student engagement; and providing remote access to effective educators, such as master teachers, to assist with hard-to-staff schools and subjects.
- \$5 billion in one-time 2015 mandatory funds for the **RESPECT** (Recognizing Educational Success, Professional Excellence, and Collaborative Teaching) grants, to provide targeted support for teachers and school leaders by improving preparation and early career assistance, giving teachers and leaders opportunities to develop and advance as they lead the transition to college- and career-ready standards, and ensuring that teachers have a supportive work environment built around shared collaboration. This request would support up to 1,000 grants to States and districts to invest in needed improvements to the education profession, reaching up to 1.6 million teachers.

The FY 2015 budget for the Department of Health and Human Services also includes funding requests that contribute to the President's goal of creating a continuum of high-quality early learning services for children from birth through age five. These proposals include:

Head Start (\$9.7 billion). (+\$270 million) The program would continue to provide grants to local public and private non-profit and for-profit agencies to promote school readiness by enhancing the social and cognitive development of children through the provision of educational, health, nutritional, social and other services to disadvantaged children and families. This request continues to include \$25 million to support implementation of the Designation Renewal System (DRS), to minimize disruption of services to Head Start children and families during the transition period to new Head Start providers. There is \$650 million in the base Budget and \$800 million in the Opportunity, Growth, and Security Initiative that will provide for Early Head Start-Child Care Partnerships that support the creation of provider networks with center-based and family child care providers that meet Early Head Start Program Performance Standards to provide full-day, full-year high quality slots to a total of more than 100,000 children.

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Child Care and Development Fund (\$6.1 billion). The FY 2015 request for CCDF is \$6.1 billion, including \$2.4 billion in discretionary funding for CCDBG (+\$57 million) and \$3.7 billion (+\$750 million) for the mandatory Child Care Entitlement to States. It is an \$807 million increase above the FY 2014 enacted level. This request will support 1.4 million children in FY 2015. The request also sets aside \$200 million in CCDBG funds to provide formula grants to states, territories, and tribes to improve the quality of child care, including the child care workforce and health and safety measures.

Additional information can be found at:

<http://www2.ed.gov/about/overview/budget/budget15/summary/15summary.pdf>

<http://www.hhs.gov/budget/fy2015/fy-2015-budget-in-brief.pdf> (pages 107 to 113)

ACTION:

For information and discussion only.

FEDERAL EDUCATION APPROPRIATIONS BY FISCAL YEAR

Select Formula Grants - Maryland

Program	2012 Actual	2013 Actual	2014 Estimate	2015 President's Request	Change from 2014 to 2015		Change from 2012 to 2015	
					\$	%	\$	%
College- and Career-Ready Students (Title I, Part A)	189,936,586	181,688,420	197,853,923	199,924,478	2,070,555	1.05%	9,987,892	5.26%
School Turnaround Grants (Title I 1003(g))	6,824,576	6,619,995	6,653,351	6,653,351	0	0.00%	-171,225	-2.51%
Migrant Student Education	523,255	496,818	498,016	498,016	0	0.00%	-25,239	-4.82%
Neglected and Delinquent Children and Youth	1,615,385	1,584,749	1,590,245	1,590,245	0	0.00%	-25,140	-1.56%
Subtotal, Accelerating Achievement and Ensuring Equity	198,899,802	190,389,982	206,595,535	208,666,090	2,070,555	1.00%	9,766,288	4.91%
Impact Aid Basic Support Payments	5,927,428	5,939,266	6,254,540	6,254,540	0	0.00%	327,112	5.52%
Impact Aid Payments for Students with Disabilities	659,800	648,103	682,499	682,499	0	0.00%	22,699	3.44%
Subtotal, Impact Aid	6,587,228	6,587,369	6,937,039	6,937,039	0	0.00%	349,811	5.31%
Effective Teachers and Leaders State Grants	0	0	0	25,707,282	-7,604,999	-22.83%	-9,155,433	-26.26%
Improving Teacher Quality State Grants	34,862,715	33,308,870	33,312,281	0				
Math and Science Partnerships	1,470,908	1,430,851	1,516,049	0				
Effective Teaching and Learning: STEM	0	0	0	1,371,297	-144,752	-9.55%	-99,611	-6.77%
Assessing Achievement (State Assessments)	6,966,494	6,609,960	6,768,277	6,768,277	0	0.00%	-198,217	-2.85%
Rural and Low Income Schools Program	185,088	218,461	218,461	141,730	-76,731	-35.12%	-43,358	-23.43%
Indian Student Education Grants to LEAs	75,299	80,031	80,031	80,071	40	0.05%	4,772	6.34%
English Learner Education (English Language Acquisition) Title III	10,000,845	9,244,199	9,835,112	9,835,112	0	0.00%	-165,733	-1.66%
Homeless Children and Youth	880,105	851,922	901,346	900,327	-1,019	-0.11%	20,222	2.30%
Subtotal, All of the Above Programs, which were or are proposed to be authorized by the Elementary and Secondary Education Act	259,928,484	248,721,645	266,164,131	260,407,225	-5,756,906	-2.16%	478,741	0.18%

Special Education, IDEA, Part B	199,953,655	189,680,055	197,426,078	197,426,078	0	0.00%	-2,527,577	-1.26%
Preschool Grants, IDEA, Part B, Sec 619	6,542,419	6,227,449	6,227,457	6,227,457	0	0.00%	-314,962	-4.81%
Infants and Families, IDEA, Part C	7,464,085	7,201,458	7,570,658	7,627,422	56,764	0.75%	163,337	2.19%
Subtotal, Special Education	213,960,159	203,108,962	211,224,193	211,280,957	56,764	0.03%	-2,679,202	-1.25%
Career and Technical Education	15,487,207	14,812,307	15,289,772	14,682,628	-607,144	-3.97%	-804,579	-5.20%
Subtotal, Vocational and Adult Ed	15,487,207	14,812,307	15,289,772	14,682,628	-607,144	-3.97%	-804,579	-5.20%
Total, All Elementary/Secondary Level Programs	489,375,850	466,642,914	492,678,096	486,370,810	-6,307,286	-1.28%	-3,005,040	-0.61%