NATIONAL TITLE I ASSOCIATION BOARD OF DIRECTORS UPDATE

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JULIA MARTIN BRUSTEIN & MANASEVIT, PLLC

UPDATES ON THE NEW CONGRESS



NEW COMMITTEE MAKEUP

- Senate Committee on Health, Education, Labor, and Pensions
 - New Chairman: Lamar Alexander (R-TN)
 - Former U.S. Secretary of Education, Governor, college president
 - Focus on HEA reauthorization, FAFSA simplification, reducing higher ed regulations
 - ESEA reauthorization is "top priority"
 - New Ranking Member: Patty Murray (D-WA)
 - Focus on early education
 - Possible action on waivers?
 - 2 New Republican members (Democrats lots 2 slots)

NEW COMMITTEE MAKEUP

House Committee on Education and the Workforce

- Rep. John Kline (R-MN) remains Chairman
 - Focus on ESEA reauthorization, charter schools
 - Wants to reauthorize HEA
- New Ranking Member is Rep. Bobby Scott (D-VA)
 - Focus on school discipline, boosting minority achievement
- 8 New Republican members (4 new Democrats replacing retirees)

NEW CONGRESS ALREADY AT ODDS WITH POPULAR OPINION?

- Why the disparity?
 - Many self-identified Democrats voted for Republicans
 - President's unpopularity a liability for many Democrats
 - Sign that Republicans going back toward mainstream?
- What will it mean for this Congress?
 - Lack of conservative mandate?
 - Some more mainstream/moderate legislation
 - But also confusion about what voters want/find important

FAR-RIGHT DISSENTION IN THE HOUSE

- Incumbent House Speaker John Boehner (R-OH) expected to win reelection
 - But far-right conservatives wanted to replace him
 - In vote, 25 Republicans did not vote to re-elect Boehner
 - But dissidents could not agree who to vote for instead
- Following failed rebellion, Boehner exacts retribution
 - Members kicked off House Rules Committee
 - Member removed as primary sponsor of energy legislation
- What does this mean?
 - Attempt to steer conservatives back toward middle in order to create legislation that can pass Senate, get President's signature

MCCONNELL'S WARNING TO THE SENATE: DON'T BE "SCARY"

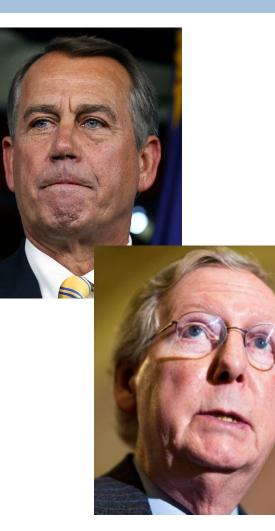
 "I don't want the American people to think that if they add a Republican president to a Republican Congress, that's going to be a scary outcome. I want the American people to be comfortable with the fact that the Republican House and Senate is a responsible, right-of-center, governing majority."



WHAT'S NEXT?



THE BOEHNER/MCCONNELL PLAN



- Joint op-ed from November:
 - Simplify tax code
 - Reduce spending by revising entitlement programs
 - Legal reforms, including medical malpractice
 - Regulatory Reforms
 - Reform federal involvement in education

WHAT ARE EDUCATION PRIORITIES?

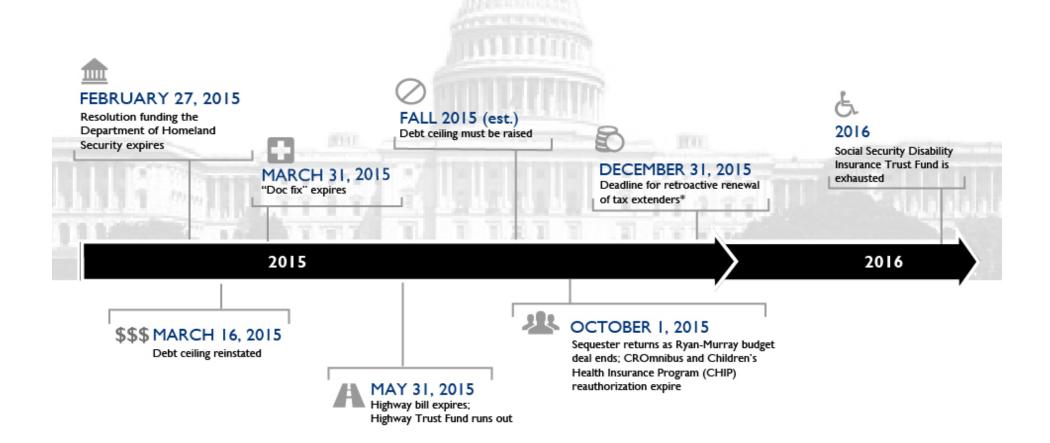
- Expanding charter school access
- Reducing college costs
 - FAST Act reintroduced on 2nd day of new Congress
- Reforming K-I2 education by: (mostly part of H.R. 10)
 - Revamping teacher evaluations
 - Giving States/districts more control over use of federal funds
 - Increasing school choice options

WHAT TO LOOK FOR IN FY 2016 APPROPRIATIONS

- Republican-controlled Congress looks to flex muscles
 - More partisan debate/pressure
- Pressure to trim federal spending overall
 - Especially discretionary grant programs (e.g. RTTT)
- Sequestration returns!
 - Cuts to caps?
 - Looking for room in Labor-HHS-ED budget?







OTHER HURDLES:



- Veto threats from President
 - Need 2/3 majority to overcome
- Short-term fixes on big problems mean constant crisis situation
 - E.g. debt ceiling
- Conflicts between parties
- Conflicts within parties

BENDING THE RULES



- Follows on heels of "nuclear option" rule change by Sen. Harry Reid (D-NV) in November 2013
- "Dynamic scoring" in House
 - In January 2015, House voted to require that cost of bills be estimated by "dynamic scoring"
 - Requires CBO to base cost estimates on predicted reactions of market
- Other changes discussed (but not adopted)
 - Bypassing Committee discussion for some controversial legislation (e.g. Keystone)

WHERE DOES EDUCATION FIT IN?



PRIORITIES

- Overall in Congress, education not a top priority
- But for House/Senate Committees, ESEA is reauthorization priority #I
 - Chairman Alexander says he wants to have a bill through Committee by end of February
 - Discussion draft released mid-January
 - First hearings in Senate in mid- to late-January
 - Chairman Kline says he wants a bill on House floor by March
 - Would require bill debate in February

LIKELY CONTENTS OF ESEA REAUTHORIZATION

What's Out

- AYP likely to be eliminated
 - Instead: States design and implement plans for intervention and improvement
- Race to the Top will not be renewed
 - Instead: focus on formula funding (and budget-cutting)
- Requirement to adopt specific college- and career-ready standards
 - Instead: leaves standards and assessments up to States
- Teacher evaluations
 - Opposition from far-right conservatives AND liberal Democrats
 - Instead: focus on State licensure/training/PD
 - Also: no more HQT

LIKELY CONTENTS OF ESEA REAUTHORIZATION

What's In

- Title I money, formula
- Supplement, not supplant (but modified)
- Charter school grants
 - And focus on States with laws more open to charters
- Requirement to have some kind of standards and assessments
- Requirement to have some kind of school ratings/intervention
- Limitation on Secretarial waiver, decision-making authority

LIKELY CONTENTS OF ESEA REAUTHORIZATION

- What's up in the air?
 - Level of federal involvement overall
 - especially in interventions, school ratings
 - Annual testing in grades 3-8
 - And science assessments
 - Also: requirement to take grade-level assessments
 - Comparability
 - Unlikely: closing comparability loophole
 - Likely: comparability as written
 - Survival of small competitive grant programs

HURDLES AHEAD FOR ESEA

- Busy House/Senate schedule
- Democratic opposition
 - From Democrats in Congress
 - Lack of bipartisan cooperation in drafting?
 - Disagreements over assessments/accountability?
 - From President/administration
 - Concerns about "walking back" accountability
- Republican opposition
 - Sen.Tim Scott (R-SC): won't vote for a bill if they've given up too much to Democrats

HALF-MEASURES?

- If ESEA reauthorization is not passed:
 - ESEA waivers continue into next Congress
 - Congress may pass smaller stand-alone bills, including:
 - Success and Opportunity through Quality Charter Schools Act (H.R. 10)
 - Passed House with strong bipartisan support in 2014
 - Revamps federal charter school programs, drives funding to States with laws more open to charters and with stronger charter accountability
 - Strengthening Education Through Research Act (H.R. 4366)
 - Reauthorizes Education Sciences Reform Act
 - Easily passed House in 2014

OTHER LEGISLATION

- Early Education
 - Not Republican priority, but Sen. Murray wants to work into ESEA reauthorization
- IDEA
 - No action expected issue is mainly amount of funding
- Perkins
 - No action to date, but also not controversial may be able to slip in under radar
- Child Nutrition
 - Current bill expires September 30th, programs will end without action
 - Likely to be contentious partisan debate focused on HHFKA meal regulations

THE I 14TH CONGRESS IN A NUTSHELL

IN A NUTSHELL

- The Good
 - Congress controlled by one party means legislation moves through with more frequency and speed – in theory
 - Strong commitment from everyone (House, Senate, administration) to reauthorize ESEA
- The Bad
 - Lots of other "must-pass" items on the calendar ahead of ESEA/other education bills
- The Ugly
 - Continued partisanship makes it difficult to find common ground
 - Controversial issues and legislation will slow down legislative process
 - Filibuster and veto threats continue to make it difficult to find common ground

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