

HEARING BRIEF  
FY 2011 Budget

**HOUSE APPROPRIATIONS SUBCOMMITTEE ON LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION HEARING ON FY 2011 EDUCATION BUDGET**

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On Thursday, March 18<sup>th</sup> the House Labor, Health and Human Services and Education (LHHS and ED) Appropriations Subcommittee heard testimony from Secretary of Education, Arne Duncan, regarding the Administration's FY 2011 budget request for the Department of Education.

**WITNESS**

- Secretary of Education Arne Duncan

**MEMBERS PRESENT**

Chairman Obey (D-WI), Ranking Member Tiahrt (R-KS), Representatives Lowey (D-NY), DeLauro (D-CT), Royal-Allard (D-CA), McCollum (D-MN), Lee (D-CA), Kennedy (D-RI), Jackson (D-IL), Honda (D-CA), Ryan (D-OH), Moran (D-VA), Rehberg (R-MT), Cole (R-OK), Alexander (R-LA), and Bonner (R-AL).

**OPENING STATEMENTS & DISCUSSION**

Chairman Obey welcomed the Secretary and acknowledged the goal he and all Members of his Subcommittee share—providing a topnotch education for all kids. He, and many others on the Subcommittee, also join with the Secretary in the belief that the American Recovery and Reinvestment Act (ARRA) funding was imperative to the nation. It saved 325,000 jobs in education alone—but, unfortunately, the worst is not over. It is estimated that state budget shortfalls for education will reach as much as \$180 billion next year. Twenty-nine states have already had to cut K-12 services and California alone (an example Mr. Obey hates to rely on) has cut more than 5,000 teaching position just this week. New Jersey has announced the elimination of 11,000 afterschool slots and Mississippi has cut their teaching force by 5%. In his view, the Congress needs to do more to help states weather this crisis.

Turning to the FY 2011 budget, Obey said he is puzzled by why, in this economic climate, the Administration has chosen to invest resources in new and untested initiatives rather than investing in long-time Democratic priorities such as Title I. Though he supports the need for improvement and reform, Obey said he would hesitate to “varnish the deck of a sinking ship.” His primary concern is core funding that goes out by formula and represents federal support that states can rely on. In his view, funding for Title I and

IDEA is more critical to states and tried and true investments than the Investing in Innovation Fund or a dramatic increase in the Teacher Incentive Fund.

The Chairman presented a chart that illustrated the effect of family income on college completion rates. It showed that students that demonstrated equal proficiency in 8<sup>th</sup> grade were far more likely to complete college if their families were wealthy than if they were poor—a situation that makes the Pell Grant program a top priority for the Chairman. Obey expressed confusion about the proposed move to a Pell entitlement in the budget, a decision that should be made by the authorizing committee and the full Congress, not appropriators. He expressed concern that if this new entitlement is not agreed to there will be a significant shortfall in the budget he needs to develop for the Department of Education.

In his opening statement, Ranking Member Tiahrt (R-KS) asked the Secretary about the deficit spending that is occurring for education and other important priorities and expressed concern that it is putting the country on an “unsustainable pathway of debt.”

## **WITNESS STATEMENT**

### **Secretary Duncan**

Secretary Duncan began by thanking the Subcommittee for making education such a high priority in the ARRA. He said \$75 billion was “out the door” and the remaining funding would soon follow. The FY 2011 budget for education, according to Duncan, includes an historic increase for education—\$7.5 billion over FY 2010—that will build on the accomplishments of ARRA. This new investment will help implement the “cradle to career” agenda that encompasses the President’s vision for education leading the nation to economic prosperity.

Duncan outlined the six areas of focus in the budget as: 1) Title I and Turn around funding; 2) providing a well-rounded education; 3) student support services; 4) providing for diverse learners; 5) supporting teachers and school leaders; and 6) innovation. He said he views the status quo as unacceptable and in his budget and plans for the rewrite of the Elementary and Secondary Education Act (ESEA) he intends to hold everyone accountable for results. The fact that 48 states have embraced the work of the NGA and CCSSO to develop a common core of standards and assessments and that so many states applied for Race to the Top funding indicates that the states understand and accept the urgency of this goal.

Turning to the recently released Blueprint for the reauthorization of the ESEA, Duncan praised the bi-partisan spirit that has marked the conversation to date and said the Blueprint aims to: 1) raise academic standards; 2) reward excellent and growth; and 3) support equity. The current No Child Left Behind (NCLB) law, in his view, created transparency but also perverse incentives that have worked against these important goals. The blueprint makes it clear that one size does not fit all in education; that narrowing the curriculum is the wrong way to go; and that evaluation of school and teacher effectiveness should take into account student growth not proficiency. Furthermore, a revised ESEA

will reward schools that are successful, encourage schools that demonstrate continuous improvement, and focus the greatest resources on the lowest performers.

Duncan acknowledged that concerns had been raised about rural districts, and he assured Members that rural needs would be addressed through specific funding and funding priorities. He said that the consolidations recommended in the budget and the Blueprint reflected the elimination of ineffective programs, earmarks and the Department's efforts to create efficiencies. Finally he spoke of his concern about the deep budget cuts that Chairman Obey had mentioned, and said through the new Jobs for Main Street bill and the budget he had presented he hoped they would find ways to support teachers and students in these difficult economic times.

### **MEMBER QUESTIONS**

Ranking Member Tiahrt began the question period by asking about the strain increases in tuition at higher education institutions placed on families and the federal budget, asking how this can be managed in the future. Duncan said he shares the concern, noting that some institutions have found creative ways to control costs and others have not. To him, the best solution will be the marketplace driven by informed families.

Congresswoman Lowey outlined for the Secretary her deep concern about the treatment of the 21<sup>st</sup> Century Community Learning Centers (CCLC) program in both the FY 2011 budget and the Blueprint. As a critical resource for kids and working families, Lowey objected to the cut in funding and proposals that would allow limited 21<sup>st</sup> CCLC dollars be spent for other purposes in cash strapped school districts. Duncan responded with a statement about his early experience with afterschool and his belief in the value of afterschool programs. He pointed to other areas of the budget where student support services were actually increased which was unpersuasive to Mrs. Lowey. She made it clear to the Secretary that she supported extended learning time initiatives but would insist on increased funding for the 21<sup>st</sup> CCLC program.

Congressman Rehberg objected to the move away from formula grants to competitive funding in both the budget and the Blueprint and urged caution with this strategy. In addition he said the four school turnaround strategies "are nice" but Montana districts need more flexibility because of their rural nature. Duncan responded that the Department "won't be looking for fancy grant proposals written by fancy consultants" but rather well thought out ideas that drive funds to the right places.

Congressman Kennedy asked the Secretary how the Department was collaborating with the Department of Labor regarding the difficult issue of adult literacy. He went on to admonish the Department for making limited financial aid resources available to Ivy League colleges, saying the need was far greater at public institutions. Duncan talked about the strong interest both he and the President have in community colleges. Finally, Kennedy suggested the Administration invite CEOs of major technology companies to the White House to suggest they make inexpensive white boards available to more institutions.

Congressman Alexander asked for an explanation of the interest rates borrowers would pay under the Direct Loan program and suggested that since it was the same rate paid to private lenders in the Federal Student Loan Program that there was little reason to convert other than disliking the banks. Duncan said the issue was a desire to end subsidies to banks and instead invest more in students. Alexander also expressed support for Even Start and objected to the elimination of its funding as it supports family literacy initiatives.

Congresswoman Lee objected to the punitive response to teachers that she found implicit in NCLB and the Blueprint. In particular she objected to the idea that firing teachers is an effective reform strategy. Instead she believes teachers and students should be given more supports such as counseling and other effective interventions. Duncan acknowledged that firing teachers should be a last resort, and said he was pleased that in Rhode Island, teachers and management were back in mediation. Duncan said there are circumstances, however, where dramatic action needs to be taken. He pointed to the \$3.5 billion for School Improvements Grants as an example of resources he believes should be directed to the lowest performing schools.

Congressman Cole thanked the Secretary for what he is trying to accomplish and noted he had one of the hardest jobs in the President's Cabinet. He expressed concern about the recommendation of flat funding for effective programs like TRIO, Gear Up and Tribal Colleges rather than unproven initiatives and said that maybe more of the same is necessary since none of these programs—adding Title I and IDEA—as ever having been fully funded. Duncan responded that he wants to see the competitive funding go to the places with the greatest need.

Congressman Moran praised the Secretary for his calling out the NCAA and college basketball programs that take advantage of talented players without assuring them an education. He also noted that because public education is for the most part funded through property taxes and the real estate market is in decline, the timing for funding new initiatives rather than funding important priority programs was unfortunate. Duncan acknowledged the budget gaps facing local school districts and said that as a nation we under invest in education.

Congressman Bonner agreed with Congressman Cole's comments and asked if Secretary Duncan thought parents who send their children to private school or home school their children should receive tax credits. Duncan said he could not support such an idea at this time.

Congressman Jackson noted that generally when the federal government faced an emergency situation such as the education budget crisis now facing all 50 states, emergency supplemental spending bills are often the solution. He asked Duncan if an emergency supplemental for education was a possibility. Duncan said this was an interesting idea to discuss.

Congresswoman McCollum asked the Secretary if he had any comments regarding the textbook crisis unfolding in the state of Texas as it had implications for social studies

curriculum throughout the nation. Though the Secretary said he was aware of the debate, it was the domain of the states and local districts, not the federal government. He added though, that the Blueprint for ESEA reauthorization includes funding to support a more diverse curriculum through competitive grants for a well-rounded education.

Congressman Honda said he was pleased that the Department had started to review language in last year's appropriations bill that called for the establishment of an Education Opportunity and Equity Commission and asked what else the Department was doing for equity. Duncan referred to the \$900 million increase in School Improvement Grants.

Congresswoman Roybal-Allard echoed earlier views that now was not the time to invest in unproven new initiatives at the expenses of critical priorities. In particular she objected to the consolidation of programs that work and serve important purposes and could ultimately lead to less funding for education as block grants had in the past. She was particularly troubled by the elimination of funding for Educational Technology and pleased when Duncan acknowledged that recommendation was being reconsidered.

Congressman Ryan asked about two initiatives of particular importance in his view, Social and Emotional Learning as reflected in a bill introduced by Congressman Kildee (D-MI); and support for the highly successful First Robotics program that has encouraged interest and innovation in STEM education. Ryan asked the Secretary to both support the Kildee bill and help find a way to get resources to more low-income schools to participate in the First Robotics program. Duncan said he shared Ryan's positive view of both these programs and said he was looking forward to attending the national finals for First Robotics later this year.

Congresswoman DeLauro read to the Secretary the report language regarding Even Start from last year's appropriation bill where funding was included and asked why given the strong support of the Subcommittee for the program he had once again recommended its elimination. Duncan called himself a "huge fan of family literacy and afterschool" and said the "literacy bucket" in the Blueprint would make competitive grants available to Even Start programs.

Chairman Obey, saving his questions for last, reiterated his concern about flat funding for Title I; questioned the need for such a heavy focus on teacher improvement; and questioned the fact that Wisconsin was shortchanged in the Race To The Top competition because their proposal was too comprehensive. Quoting former President Richard Nixon he said, "timing is everything" in this world and, in his view, Secretary Duncan's timing is "off" to recommend the budget for education that he sent to the Congress in February. Obey said that while he supports reform, he believes the time to redirect federal funds in that direction is two years off when the country, hopefully, will no longer be "sucking air" on the economic front. Obey also noted that he felt the strong emphasis on testing reading and math exemplified by NCLB had been at the expense of important subjects such as civics, history and the arts. As a result we risk a future generation completely uninformed about our democratic institutions and political processes.

## **CONCLUSION**

In closing, Obey urged the Secretary to “give no ground” in the fight for funding for education. He said that in his view some investments that improve our quality of life and ensure our global competitiveness are worth it, in spite of deficits.

For more information on this hearing, including testimony, and opening statements, visit: [http://appropriations.house.gov/Subcommittees/sub\\_lhse.shtml](http://appropriations.house.gov/Subcommittees/sub_lhse.shtml).