



# StraightA's

Public Education Policy And Progress



## **EDUCATION PROGRAMS RECEIVE LITTLE FUNDING: Striving Readers One of Only a Handful of Programs to Receive Small Increase in Funding as Congress Cuts Federal Support for Most Education Programs**

Just prior to leaving Washington to celebrate the holidays in their home districts and states, members of Congress presented the nation's schools and their students with a gift that was considerably smaller than in past years. Passing almost 3 months late, fiscal year 2006's education spending bill cut the U.S. Department of Education's budget for the first time in 10 years, reducing the amount available for discretionary spending by \$624 million from FY 2005's total. The \$55.95 billion the department will receive reflects specific cuts made by Congress as well as an across-the-board reduction of 1 percent. (An additional \$1.6 billion, designated for education-related hurricane relief, was included in the appropriation.)

The path to final passage was a rocky one. On November 17, 22 Republican lawmakers cited cuts to rural health care and education programs as their rationale for joining with Democrats in defeating the Labor, Health and Human Services, and Education appropriations bill the first time it was brought to the floor. On December 14, following intense negotiations between members of the House and Senate, the House finally passed the spending bill, by a 215 to 213 vote, after rural health spending was boosted by \$90 million. On December 21, the Senate cleared the bill by a voice vote, meaning no recorded votes were taken. That same day, the Senate passed the Defense Department spending bill, which included a 1 percent across-the-board cut in all federal discretionary programs except those serving veterans. President Bush signed the bill into law on December 30.

In voting for the final bill, some House Republicans noted that education programs would be squeezed even more if the bill were to fail a second time, as GOP leaders had threatened to return with a yearlong continuing resolution (CR).

“If the bill were to fail, we would end up with a CR, a full year's CR, because you know we are not going home without something in this field,” said **Representative Ralph Regula (R-OH), chairman of the House Appropriations Subcommittee for the Subcommittee on Labor, Health and Human Services, and Education.** “These are important programs, over five hundred of them. What would happen with a CR? Well, there would be \$800 million less for student aid, \$278 million less for innovation and improvement programs, \$178 million less for higher education programs, \$94 million less for Title I programs, and \$84 million less for special education programs. That would be a disastrous result that I do not think any of us on either side of the aisle would want to happen.”

## Education Programs Receive Little Funding

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**Representative David Obey (D-WI), the top Democrat on the House Appropriations Committee**, argued against this rationale. “The gentleman argues that we ought to vote for this bill because if we do not, then the majority will bring forth a continuing resolution which will do certain bad things. That is like saying, ‘Save us before we are irresponsible again.’ I really think we understand that what needs to happen to this bill is that it needs to be repaired, not further savaged; and that is what we want to see done ... It is ironic that these actions come one week before Christmas. The holidays are supposed to be a time of generosity—a time when Santa Claus fills children’s stockings with presents. Instead, this Congress is practicing Scrooge-omics, gutting programs for children and those in need.”

Only a handful of programs received increases over last year’s appropriations level. The Striving Readers program, which was first funded in FY 2005, will receive \$4.9 million more in FY 2006. Other programs receiving increases are Math and Science Partnerships (a \$3.6 million increase), Advanced Placement (\$2.4 million), and the National Writing Project (\$1.2 million). Signature education programs such as Title I and special education, which have seen increases in past years, were cut by \$27 million and \$6.8 million, respectively. The maximum Pell grant award was frozen for the fourth consecutive year and will remain at its current level of \$4,050.

**Editor’s Note:** This issue of *Straight A’s* contains a special insert that outlines the final spending totals for selected education programs designed to help middle and high school students as included in the final version of the FY 2006 Labor, Health and Human Services, and Education spending bill.



### **CONVENTIONAL WISDOM UNDER ATTACK: New Report Finds Poor Math Performance at All Grade Levels When Compared to Other Countries**

For the last few years, it has been an accepted fact that, when compared internationally, American students perform pretty well at the fourth-grade level, about average in eighth grade, but drop to near the bottom in high school. However, a new report from the American Institutes for Research (AIR), *Reassessing U.S. International Mathematics Performance: New Findings from the 2003 TIMSS and PISA*, found that the math performance of U.S. students is relatively consistent when judged against the other countries who participate in all three international tests.<sup>1</sup> Unfortunately, the bad news is that American students perform consistently poorly.

“The conventional wisdom is that U.S. students perform above average in grades four and eight, and then decline sharply in high school,” says **Steven Leinwand, principal research analyst at AIR** and one of the report’s authors. “But this study proves the conventional wisdom is dead wrong. We believe the narrower focus of this study more accurately reflects the state of

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<sup>1</sup> The international tests by which American students have been judged are the Trends in International Mathematics and Science Study (TIMSS) for students in grades four and eight and the Program for International Student Assessment (PISA) for 15-year-old students.

education in the United States in relation to a common set of industrialized nations because we are comparing apples to apples.”

As the report notes, a total of 24 countries participated in TIMSS at the fourth-grade level, 45 countries participated in TIMSS at the eighth-grade level, and 40 countries administered PISA to their 15-year-olds. “Notably, many higher-performing European countries that participated in PISA and contributed to the lower U.S. rankings were absent from the TIMSS results in which U.S. performance ranked above average,” the report reads.

When compared to the 11 other countries that participated in all three tests, the performance of American students is quite consistent, with fourth-grade students placing 8th among the 11 countries, eight-grade students placing 9th, and 15-year-old students placing 9th, compared to 11th, 15th, and 27th in previous comparisons, as the chart from the AIR press release illustrates.

Country	AIR Report			Previous Analyses		
	Common Set of 12 Countries			Full set of 24	Full set of 45	Full set of 40
	TIMSS Grade 4	TIMSS Grade 8	PISA Age 15	TIMSS Grade 4	TIMSS Grade 8	PISA Age 15
Hong Kong	1	1	1	2	3	1
Japan	2	2	3	3	5	6
Belgium	3	3	4	5	6	8
Netherlands	4	4	2	6	7	4
Latvia	5	6	9	7	11	27
Hungary	7	5	8	10	9	25
Russia	6	6	11	8	11	29
Australia	10	8	5	15	14	11
<b>United States</b>	<b>8</b>	<b>9</b>	<b>9</b>	<b>11</b>	<b>15</b>	<b>27</b>
New Zealand	11	10	6	16	20	12
Norway	12	12	7	20	27	22
Italy	9	11	12	14	22	31

Source: Mullis, Martin, Gonzalez, and Chrostowski, 2004; OECD, 2004.

The report concludes that a country’s initial fourth-grade international performance is a good predictor of where that country will end up ranking internationally for 15-year-olds.

Additionally, the report found that the United States and Italy are the only two countries in which boys consistently outperform girls on all three assessments. It also noted that a disproportionately high percentage of fourth-grade teachers in the United States have no mathematics specialization and that a high percentage of American eighth-grade math teachers lack a mathematics degree.

The AIR press release and a link to the full report are available at <http://www.air.org/news/documents/Release200511math.htm>.



## **BACK IN BLACK: New Report Notes that State Revenues Are Up, but Challenges—Especially Medicaid Spending—Remain**

State fiscal conditions rebounded nicely in fiscal year 2005, and many states began to restore funding to programs that were cut during less prosperous times, according to a joint publication by the National Governors Association and the National Association of State Budget Officers. However, even though revenue increased in 2005, the report, *The Fiscal Survey of States: December 2005*, found that states, perhaps still mindful of the quick decline in revenue that occurred in 2001, remain cautious. Even with revenues strong, half of the states passed additional tax increases, while only 14 states enacted net decreases. Overall, state taxes increased by \$2.5 billion.

While the federal government is expected to run up a record deficit for the 5th straight year, states do not have that luxury. (Forty-nine states—all except Vermont—have balanced budget requirements.) During the economic downturn, states were forced to address projected budget shortfalls through tough decision-making and necessary belt-tightening—“precisely what Washington did not do,” as a *Washington Post* article on the report notes. “As the Bush administration cut federal taxes and increased government spending year after year, the states slashed programs left and right while boosting taxes, tuition bills and user fees,” it reads.

Even though they are back in the black, states still face several fiscal challenges, including underfunded employee pensions, accounting changes related to retiree benefits, deteriorating infrastructure, and a growing school-age population. At the same time, the pressure to spend is still there, especially after the steep cuts to popular programs that had to be made from 2002 to 2004. Most of all, Medicaid spending will have a significant impact on state budgets.

Based on projections, Medicaid will continue to put a strain on budgets at the state level. In fact, at 22.5 percent of all state spending, Medicaid eats up the largest portion of a state’s budget, followed by elementary and secondary education (21.9 percent), higher education (10.8 percent), transportation (8.1 percent), corrections (3.4 percent), public assistance (2 percent), and all other expenditures (31.3 percent).

“With long-range projections of Medicaid growth between 8 and 9 percent, states are concerned that health care cost increases exceed state revenue growth,” the report reads. It adds that states also face uncertainty and concern about the impact of the Medicaid prescription drug benefit and potential federal changes in Medicaid on state budgets. Already, the report found, 22 states experienced Medicaid shortfalls in 2004, and 26 states anticipated shortfalls in 2005.

As the percentage of each state’s budget dedicated to Medicaid grows, other portions of the budget will likely decrease without continued revenue growth—a fact of concern for education advocates at both the federal and state levels.

“Revenue Is Starting to Burn Holes in States’ Pockets” is available at <http://www.washingtonpost.com/wp-dyn/content/article/2005/12/20/AR2005122001427.html>.

The full report is available at <http://www.nasbo.org/Publications/fiscalsurvey/fsfall2005.pdf>.



## **OFF AND RUNNING: In State of the State Addresses, Governors Include Proposals That Would Benefit Middle and High School Students**

Earlier this month, governors around the country began delivering their “state of the state” addresses. As in years past, *Straight A’s* will focus on speeches that include proposals to help middle and high school students.

### **California**

Last fall, **California Governor Arnold Schwarzenegger (R)** saw his approval ratings drop dramatically after he campaigned vigorously for Proposition 76, which would have capped state spending and cost schools billions of dollars. Ultimately, Proposition 76 was soundly defeated in the November special election, in large part because of ads run by education advocates against Schwarzenegger and the proposition. Last week, during his state of the state address, Schwarzenegger made a 180-degree turn when he proposed a 10-year, \$222 billion construction project intended to enhance the state’s freeways, jails, ports, waterways, and schools.

As part of the proposal, K–12 education would receive \$26.3 billion over the next decade, helping to construct more than 2,000 small schools and 40,000 classrooms, and to modernize another 140,000 classrooms. Schwarzenegger noted that a quarter of a million more students will attend California schools over the next 10 years.

Schwarzenegger also announced that the budget he releases this week will include a \$4 billion increase in education funding, \$1.67 billion of which would be used to repay the money the state borrowed from schools in recent years to balance the budget. There appears, however, to be some disagreement over how the money will be spent: the governor hopes to direct the money toward vocational education classes, grants to pay for new art, music, and physical education programs, teacher training, and high school exit-exam tutoring, while **Los Angeles Unified School Superintendent Roy Romer** has said he would like to use the money to reduce the size of middle and high school math classes, many of which hover at about 40 students.

In addition, the governor noted that California’s Proposition 49 afterschool initiative kicks in this year, and will provide an additional \$428 million for afterschool programs. “This will make our state the only one in the nation to offer comprehensive afterschool programs,” he said. “Every elementary and middle school can have a program so that working parents will know that their children will be in a safe environment—getting help with their homework, doing arts and physical activities. This will be good for both the children and the parents.”

### **New York**

In delivering his 12th and final state of the state address, **New York Governor George Pataki (R)**, who is retiring at the end of his third term, proposed a series of education initiatives that he said would make New York the national leader in preparing students for careers in math, science, and engineering. Citing Thomas Friedman’s book *The World Is Flat*, which juxtaposes foreign competition and proficiency, especially in math and science fields, with the poor educational performance of American students, Pataki noted that “in tomorrow’s economy, our stiffest competition for jobs, investment, and opportunity will not come from places like South Carolina or Indiana; it will come from places like South Korea and India.”

In his speech, Pataki called for renewing New York's commitment to providing additional funding to high-needs schools in New York City and across the state, but he failed to directly address the lawsuit that the Campaign for Fiscal Equity (CFE) brought against the state. In the suit, which CFE won, a state court ruled that New York's schools are unconstitutionally inadequate and the state must come up with more money for them. Thus far, Pataki and the New York Legislature have yet to agree on with a statewide solution to comply with the court's order.

Pataki proposed providing middle school students with new math and science summer programs at community colleges and giving parents a chance to provide their kids with the tutoring, afterschool programs, and other educational opportunities they need to succeed. He also called for a "dramatic expansion of charter schools" throughout the state and the creation of more math and science high schools that focus specifically on teaching the skills that students need in the 21st century. He proposed free tuition for students who pursue math and science degrees at any campus within the State University of New York or City University of New York systems and commit to staying in the state to teach.

## **Vermont**

While Schwarzenegger was calling for more education funding, **Vermont Governor James Douglas (R)** called for a cap on education spending, to help slow down property tax increases, in his state of the state address last week.

He noted that education spending has grown by nearly 60 percent since 1999 while enrollment has dropped 8 percent. To keep up with the spending, property taxes have increased by 8 percent annually since 1999. Under Douglas's plan, education property tax growth would be capped at 3.5 percent, a target he called "sustainable" and one that "allows room for school budgets to grow responsibly to meet the needs of a community." His plan would allow a town to spend more if it could obtain a supermajority of 60 percent of voters.

Democrats reacted negatively to the governor's proposal to cap education spending. "Gov. Douglas has identified the property tax as a serious burden," said **House Speaker Gaye Symington**, in the Democrat response to the address. "We agree. But while the governor has named the problem, he has not offered a real solution. To impose top-down, state-knows-best, cookie-cutter spending caps ignores the real pressures on school budgets."

One idea that did intrigue members of both political parties was the governor's plan to create a 15-year, \$175 million college scholarship program that would offer tuition assistance to more than 12,000 Vermonters who attend any of the state's colleges and universities. Under the plan, students would receive up to 50 percent off the cost of tuition if they agreed to live and work in Vermont for 3 years after college graduation. If they decided to leave the state before their 3-year commitment was up, the money would be treated as a loan.

"For many years, I have expressed a deep concern that Vermont is exporting too many of our youth," he said. "Vermont has more colleges per capita than any other state. Still, sadly, Vermont leads the nation in the percentage of high school graduates who leave their state to go to college."



## A DECADE OF DECLINE: Survey Finds a Decline in Literacy Skills Among College Graduates

American adults can read a newspaper or other basic printed material about as well as they could a decade ago, but the reading proficiency of college graduates has declined, according to *A First Look at the Literacy of America's Adults in the 21st Century*, a new report from the National Assessment of Adult Literacy (NAAL). Only 31 percent of college graduates have “proficient” prose literacy, indicating that they can compare two viewpoints in an editorial, a decrease of 9 percentage points.

**Dolores Perin, a reading expert at Columbia University Teachers College**, said that a lack of reading skills among college graduates begins at the high school level. “There is a tremendous literacy problem among high school graduates that is not talked about,” she told the *Washington Post*. “It’s a little bit depressing. The colleges are left holding the bag, trying to teach students who have challenges.” According to the most recent results of the National Assessment of Education Progress (NAEP), 29 percent of American eighth graders in public schools read at “below basic” levels, which means they have no literal understanding of what they read.

The report also found that 12 percent of American adults had below basic document literacy, indicating that they would struggle using a television guide to find out what time a program aired or identifying a specific location on a map. In addition, 14 percent lacked prose literacy, indicating that they could not find how people were selected for a jury pool from a pamphlet for prospective jurors. According to the report, adults without a high school degree or a GED comprised 55 percent of the adults in this category, even though high school dropouts only represent 15 percent of the total NAAL population.

In 2003, literacy levels were lowest for adults who did not complete high school; these adults also accounted for the largest group with below basic prose, document, and quantitative literacy. On the quantitative scale, for example, over 60 percent of adults without a high school degree had below basic literacy, indicating that they could not compare the ticket prices for two events.

“One adult unable to read is one too many in America,” said **U.S. Secretary of Education Margaret Spellings**. “We must take a comprehensive and preventive approach, beginning with elementary schools and with special emphasis in our high schools. We must focus resources toward proven, research-based methods to ensure that all adults have the necessary literacy skills to be successful.”

Secretary Spellings’s complete statement, which includes a link to the full report, is available at <http://www.ed.gov/news/pressreleases/2005/12/12152005.html>.

**Straight A’s: Public Education Policy and Progress** is a biweekly newsletter that focuses on education news and events both in Washington, D.C., and around the country. The format makes information on federal education policy accessible to everyone from elected officials and policymakers to parents and community leaders. The Alliance for Excellent Education is a nonprofit organization working to make it possible for America’s secondary school students to achieve high standards.



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