

Education and Human Resources in the FY 2008 Budget

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INTRODUCTION

To call this a time of ferment in U.S. education probably understates the obvious. Between reauthorization of key legislation shaping both the K-12 and higher education domains and a Democratic-controlled 110th Congress eager to exercise leadership over domestic priorities during war-time budgeting, predicting how the education chips may fall in 2007 is especially perilous.

Although science, technology and innovation was not a major focus of the President's 2007 State of the Union address, his budget proposal for fiscal year (FY) 2008 continued the Administration's support for the American Competitiveness Initiative. In response, various bipartisan "competitiveness" bills (America COMPETES Act, Sowing the Seeds Through Science and Engineering Research Act) seek to boost R&D while linking to STEM (science, technology, engineering, mathematics) education. And then there is the ongoing (and often heated) dialogue about the implementation and impact of the President's signature reform juggernaut, No Child Left Behind. Add to this the drumbeat of concern about college affordability, financial aid, and student-loan debt (embodied by the increase in value of Pell Grants and what to cut to offset the increase), and the education policy landscape is littered with possibilities.

We handicap here the field of agencies and programs of arguably greatest import. In so doing, we focus on a selection of quandaries that the Administration and the Congress are likely to debate and hopefully resolve. Nothing less than maintaining U.S. leadership in innovation seems to be linked (at least rhetorically) to matters of access to quality STEM education and participation by an increasingly diverse (ethnically

and linguistically) student population in a remarkably global technological workforce.

DEPARTMENT OF EDUCATION: K-12 EDUCATION

At the Department of Education, the President proposes a total budget of \$56 billion for FY 2008, a \$1.5 billion cut compared to the final FY 2007 funding outlined in the 2007 joint funding resolution (see Table II-18). The cornerstone of the Administration's K-12 education agenda, of course, is **No Child Left Behind (NCLB)**. With the pending reauthorization of the Act, which has been criticized both for insufficient funds and fostering a testing mania,¹ it comes as no surprise that the President's budget request for FY 2008 provides significant increases to NCLB program elements. The Administration proposes increasing NCLB by \$1.2 billion to \$24.5 billion, a 41 percent increase since the program's inception in 2001.

Title I Grants to Local Educational Agencies would grow 1.1 percent in FY 2008 to \$13.9 billion over the FY 2007 final allocation. The **Title I School Improvements Grants Program**, a new program introduced last year to ameliorate the number of schools failing to meet adequate yearly progress (AYP), would receive a significant boost growing to \$500 million, a tripling of the \$125 million allocated in FY 2007.

The **American Competitiveness Initiative (ACI)**, while focused on physical sciences research, continues to be a key component of the President's pre-college education vision. The **Math Now** initiative, for which the Administration requested \$250 million in FY 2007, would now be split between two separate programs: **Math Now for Elementary School Students** and **Math Now for Middle School Students**, both of which receive a request of \$125 million in the FY 2008 budget. The **Advanced Placement (AP)** program would grow significantly, more than tripling from \$37 million in FY 2007 to \$122.2 million in FY 2008. The goal of the program is to train 70,000 teachers to teach math and science AP and International Baccalaureate (IB) courses with an emphasis on training teachers in high-need schools. The

¹ For example, D.C. Berliner and S.L. Nichols, "High-Stakes Testing Is Putting the Nation at Risk," *Education Week*, v. 26, Mar. 14, 2007, pp. 48+. Note that science is set to be added to mathematics and literacy as a tested subject under NCLB.

EDUCATION AND HUMAN RESOURCES IN THE FY 2008 BUDGET

Department of Education states in its budgetary request that the \$90 million increase is to fund new competitive grants in AP and IB initiatives in mathematics, science, and “critical” foreign languages.²

A new voucher initiative outlined in the FY 2008 budget is the **Promise Scholarship**, which requests \$250 million to provide approximately \$4,000 on average to students from consistently underperforming schools. The students may use the funds to go to public, charter or private schools, or to pay for tutoring (maximum amount is \$3,000). Although the Promise Scholarship program is listed as a new initiative, it mirrors last year’s America’s Opportunity Scholarships for Kids. Another voucher program outlined in the President’s budget is the **Opportunity Scholarship**; the \$50 million initiative modeled after the D.C. Choice Program would allow non-profit organizations and other entities to compete for grants that can provide students from underperforming schools an opportunity to transfer to another public school or a private school. Finally, the **Voluntary Public School Choice** is flat-funded in the FY 2008 proposal at \$26.3 million.

The President also lays out an initiative to lure new teachers to the public education system as part of its ACI efforts. The **Adjunct Teacher Corps**, requested at \$25 million, would provide competitive grants to schools that partner with public or private institutions. The goal is to create programs that give professionals with expertise in mathematics and science the opportunity to teach in secondary schools.

The **Charter School Grants** program would be flat-funded for the third year in a row with a request of \$214.8 million in FY 2008. This program provides competitive grants to develop public charter schools. In a separate effort to expand the number of charter schools available in communities, the Department is requesting \$36.6 million for a **Credit Enhancement for Charter School Facilities** program that awards grants to assist charter schools to secure financing to purchase, construct, renovate or lease a facility.

The **Comprehensive Centers Program**, which provides technical assistance in reading and math to schools in order to meet the NCLB goal of 100 percent proficiency by 2013-14, would be flat-funded again with a request of \$56.3 million. The **State Assessment Grants Program**

² Last session this was a focus of legislation introduced by Sen. Kennedy (D-MA) and other NDEA-interested parties and is expected to resurface again.

would grow slightly (less than 1 percent) to \$411.6 million in FY 2008, as would the **Mathematics and Science Partnerships Program** at \$182 million (see Table II-18). Finally, the **Improving Teacher Quality State Grants** would see its budget reduced to slightly below \$2.8 billion (a \$100 million decrease, or 3.5 percent).

The special education formula grants funded through the **Grants to States** program, as authorized by the Individuals with Disabilities Education Act (IDEA), would drop slightly from the \$10.7 million allocated in FY 2007 to \$10.5 million in FY 2008. So, too, would the **Grants for Infants and Families** which falls 3 percent to \$423 million in FY 2008. The **Preschool Grants**, on the other hand, would remain flat in FY 2008 at \$381 million.

All of the **English Language Acquisition** programs funded through Title III of the Elementary and Secondary Education Act would receive flat funding. The Language Acquisition State Grants (\$622.2 million), the National Activities program (\$43.6), and the National American Grants (\$5 million), combined would receive \$670.8 million in FY 2008. The **Title I State Agency Programs** would also be flat-funded at \$430 million.

Even Start is eliminated once again in the FY 2008 budget request and the Administration argues that Reading First and Early Reading First are better suited to meeting national literacy goals. **Reading First**, however, would decrease 1 percent to \$1.0 billion in FY 2008, while **Early Reading First** would remain flat at \$117.7 million in FY 2008 after an infusion of funds in the final FY 2007 resolution. Finally, the **Striving Readers** program, launched three years ago to focus on research-based activities to improve the reading skills of secondary students, would receive a significant boost, tripling from \$31.8 million in FY 2007 to \$100 million in FY 2008.

DEPARTMENT OF EDUCATION: HIGHER EDUCATION

A major highlight of the FY 2008 budget request impacting higher education is a proposal to increase the maximum **Pell Grant** by \$290 for a total of \$4,600 next year and to continue that growth to \$5,400 by 2012. However, as the dust is still swirling around the report of the

EDUCATION AND HUMAN RESOURCES IN THE FY 2008 BUDGET

Spellings Commission on the Future of Higher Education,³ the fear of heightened accountability requirements grows. Proposals by the Department of Education to eliminate or consolidate in FY 2008 a total of 44 programs only feed that fear. The Department argues that these programs had been shown to be ineffective according to the Program Assessment Rating Tool (PART) used by the Office of Management and Budget to measure success.

The proposed terminations would save approximately \$2.2 billion and are a curious collection. Four are big-ticket items, *i.e.*, that exceeded \$100 million in 2007. The lightning rod for most criticism has been the \$770 million **Supplemental Educational Opportunity Grants (SEOG)**, cited as the source of much of the increase requested for NCLB or Pell Grants.⁴ Two others—**Educational Technology State Grants** (\$273 million) and **Tech-Prep Education State Grants** (\$105 million)—support STEM education. Many smaller programs that directly focus on women, minorities, and persons with disabilities are targeted for elimination, such as the Alaska Native Education program, Demonstration Projects to Ensure Quality Higher Education for Students with Disabilities, Education for Native Hawaiians, Migrant and Seasonal Farmworkers, and Women’s Educational Equity. Others deemed ineffective or duplicative include a Demonstration Project for Students with Disabilities, Educational Technology State Grants, and Teacher Quality Enhancement. Also among those slated for extinction are all campus-based student aid programs, including the **Byrd Honors Scholarships** (\$40.6 million) and one targeted for the third year in a row, the **Federal Perkins Loan Program** (\$65 million). Finally, the Department of Education is proposing yet again this year the cancellation

³ D. Lederman, “Assessing the Spellings Commission,” *Inside Higher Ed*, Mar. 21, 2007,

<http://insidehighered.com/layout/set/print/news/2007/03/21/commission>.

⁴ As one college president puts it, “. . . about 300,000 of the SEOG recipients would experience a net benefit from the increase in Pell Grants; a million needy students would be worse off.” K.H. Will, “Good News and Bad News for College Grants,” Feb. 23, 2007, <http://www.collegenews.org/x6680.xml>. The proposed slashing of programs that benefit colleges are also seen as helping to cover a \$3 billion shortfall in association with closing and renovating military bases. Congress is unlikely to endorse this. See “Bush Plan to Cut Programs Is Considered a Dead Letter in Congress,” *The Chronicle of Higher Education*, News Blog, Mar. 13, 2007, <http://chronicle.com/news/index.php?id=1794>.

of the **Leveraging Educational Assistance Partnerships** (LEAP, \$64.5 million), arguing that it has accomplished its objective of expanding postsecondary student grants throughout the states.

However, there are some potential winners. The budget would increase the Academic Competitiveness and National SMART grants by \$330 million to \$1.2 billion in FY 2008. This would allow eligible students to nearly double the amount of funding they receive via the **Academic Competitiveness** program to \$1,125 for the first year of college. The Department of Education estimates that the number of individual National SMART grants awarded would grow from 82,000 to 93,000 in FY 2008. On the “loans” front, the total funding for **Federal Family Education Loans** (FFEL) would increase to \$57.9 million and for **Federal Direct Loans** to \$15.1 million, both about 10 percent gains.

Title III funding for **Aid for Institutional Development** programs would see its total funding fall 4 percent to \$402.8 million in FY 2008. These programs include support for a series of initiatives for minority institutions. Most programs would receive flat funding, for example Strengthening Institutions Part A (\$79.5 million), Strengthening HBCUs (\$238.1 million), Strengthening Historically Black Graduate Institutions (\$57.9 million) and Minority Science and Engineering Improvement (\$8.7 million). Strengthening Tribally Controlled Colleges and Universities, meanwhile, would decrease 21 percent to \$18.6 million.

The **Academic Facilities** program, which supports the construction and renovation of academic facilities including HBCU capital financing, would decrease over 12 percent to \$0.7 million. The **Fund for the Improvement of Postsecondary Education (FIPSE)** would remain flat at slightly below \$22 million in FY 2008 (see Table II-18). The **Javits Fellowships** drops slightly to \$9.8 million in FY 2008, while **Graduate Assistance in Areas of National Need (GAANN)** would receive flat funding of \$30.1 million.

Finally, the Administration would significantly boost the funding for the **Institute of Education Sciences (IES)** programs requesting \$594.3 million in FY 2008, an increase of almost 15 percent above FY 2007 levels (see Table II-18). Almost all of the increase would go to support: Statistics, which would increase 32 percent to \$119 million in FY 2008; the ongoing National Assessment Educational Progress, which would grow 25 percent to \$116.6 million to complete state-level assessments of 12th grade students in 2009; and Statewide Data Systems, which would

EDUCATION AND HUMAN RESOURCES IN THE FY 2008 BUDGET

double to \$49.2 million in FY 2008. This means that other IES programs would receive flat or declining budgets: \$162.5 million for Research, Development and Dissemination, \$65.5 million for Regional Educational Laboratories, \$71.8 million for Research in Special Education, \$49.2 million for Statewide Data Systems, and \$9.6 million for Special Education Studies and Evaluations. Overall, the Institute must try to balance short-term accountability and long-term studies. The challenge to the Regional Labs is different: balancing rigor against relevance to constituent needs.⁵

OTHER AGENCIES THAT SUPPORT SCIENCE EDUCATION

National Science Foundation (NSF): NSF is the principal federal agency charged, under the NSF Act of 1950, with science and engineering education. Today this translates largely as building “the science, technology, engineering, and mathematics (STEM) workforce of the 21st century.” The NSF Education and Human Resources (EHR) budget, where the core education portfolio resides, would increase 7.5 percent to \$751 million in FY 2008 after remaining flat in 2007 (see Table II-7). However, it still would remain 19 percent below the 2004 funding level in real terms. While the agency overall did receive a significant boost in the final joint funding resolution that closed out FY 2007, the entire increase went to research programs and EHR received flat funding in FY 2007.

NSF’s FY 2008 budget request excludes funding for the **Experimental Program to Stimulate Competitiveness Research (EPSCoR)** to reflect the program’s transfer out of EHR to Research and Related Activities. EPSCoR would receive \$107 million in FY 2008, an increase of 7 percent above FY 2007 levels.

In a reversal of past budget requests, the President would sustain the **Math and Science Partnerships (MSP)** program as a multi-agency program after seeking to transition the program in past years to the sole

⁵ D. Viadero, “Shift in Regional Education Labs’ Role Stirs Concern, *Education Week*, Mar. 14, 2007, p. 8.

⁷ Perhaps evaluation does matter: analysis of MSP by the interagency Academic Competitiveness Council found, in NSF’s words, “that participating elementary, middle- and high-school students improved in mathematics and science proficiency over the 3-year survey period.”

http://www.nsf.gov/news/news_summ.jsp?cntn_id=108364

jurisdiction of the Department of Education.⁷ The original NSF MSP contribution was \$139 million in 2004, but has declined steadily since then and would receive flat funding of \$46 million in FY 2008.

Undergraduate Education (DUE) programs would drop \$2 million for a total request of \$210 million and **Graduate Education (DGE)** would significantly increase to \$170 million in FY 2008, a \$16 million increase or 11 percent boost over FY 2007. Almost the entire increase would go to boost the flagship Graduate Research Fellowship (GRF) Program.⁸ Meanwhile, Human Resource Development (HRD) offers five visible and long-standing programs that link with NSF's research directorates to address underserved populations along the pathway from undergraduate study to the professoriate.⁹

Largely hidden from view in NSF's Research & Related Activities budget, too, is the support for undergraduates, graduate students, and postdocs that is central to the integration of research and education. The extent to which these funds reinforce the nation's human resources development and STEM workforce functions is not clear.¹⁰

The President's FY 2008 request for **National Aeronautics and Space Administration (NASA)** cross-agency education programs would provide \$154 million, a sharp cut from FY 2007 (see Table II-12). NASA's activities cover a broad portfolio of activities geared to achieving three main "outcomes" across elementary, secondary, and higher education: attracting students to STEM disciplines, developing the STEM workforce, and building strategic partnerships to promote STEM literacy and awareness of the NASA mission. The three biggest "program commitments" in the request account for over one-third of the total education request (encompassing two dozen programs): the **National Space Grant College and Fellowship Project** (\$29 million),

⁸ Yet two other programs in this division that explicitly seek to integrate the education function with research, Graduate Teaching Fellows in K-12 Education (GK-12) and the Integrative Education and Research Traineeships (IGERT), are level with 2007 and together total less than three-quarters of the proposed GRF budget.

⁹ Details on the future of the ADVANCE Program (promoting "institutional transformation" to develop women scientists and engineers for academic leadership positions), recently transferred into EHR, are scarce.

¹⁰ For recent perspectives, see M.T. Nettles and C.M. Millett, *Three Magic Letters: Getting to Ph.D.*, Baltimore: Johns Hopkins University Press, 2006.

EDUCATION AND HUMAN RESOURCES IN THE FY 2008 BUDGET

the minority institution-focused **University Research Centers** (\$14.7 million), and the **NASA Explorer Schools** in every state (\$12.3 million).

The **Department of Energy (DOE)** education activities, which are administered through the Office of Science, would increase only slightly to \$11 million in FY 2008, despite being an element of the President's American Competitiveness Initiative (see Chapter 8). DOE's Workforce Development for Teachers and Scientists manages three programmatic elements: **Undergraduate Research Internships** (\$3.1 million), **Graduate/Faculty/ Fellowships** (\$6.6 million) and **Pre-College Activities** (\$1.4 million). With national laboratories as a key asset, these modestly-funded programs provide professional development for K-12 teachers and college faculty, mentors and research experiences for undergraduates, and applications of math and science for middle and high school students.

CONCLUDING REFLECTIONS

Because the American Competitiveness Initiative and (notably) energy R&D are high priorities both for the Bush Administration and the new Democratic majority in Congress, R&D programs in physical sciences are poised to receive large increases in the 2008 appropriations process, just as they did in the just-completed 2007 process.

It remains to be seen if education can ride "competitiveness coattails." Will the slew of thinly-veiled education (as "innovation" and "workforce") bills introduced in both chambers become a "critical mass" that cannot be ignored even if not fully funded? Will the President's commitment under the ACI to double NSF funding over the next 10 years extend to the agency's education programs?

In the end, congressional appropriators will reveal much—and the outcome may be a mix of education priorities that look significantly different from the President's budget proposal. Based on the budget resolutions that both chambers have drafted to date, there is some promising news. Both House and Senate budget assumptions would allow for significant increases for education programs (\$6-8 billion more than the request). Though the budget resolutions have no force of law, they do provide a roadmap of where Congress intends to place priorities. The report language accompanying the House resolution specifically

Carney, Chubin, and Malcom

states that the Democratic-controlled Congress rejects the elimination of many education programs and plans to restore funding levels for a range of programs in the federal education portfolio. While encouraging, the road to final appropriations is a long one and so the final outcome may not match the expectations of everyone.