**NREAC Federal Update**

**May 2016**

**Appropriations**: Both the House and Senate continue to move forward with their annual appropriations work. Our funding is in the LHHS bill, which is still on track for mark up in the Senate (early June) and the House (mid/late June). While the bills continue to move, it is still widely anticipated that Congress will NOT complete its appropriations work before it adjourns for the summer recess. The likely scenario is a short-term continuing resolution (CR) to get them through the start of the federal fiscal year (Oct 1) and past the election/into the lame duck session. What happens in lame duck will in large part be driven by who is elected President. In the mean time, the appropriations priorities/talking points are as follows:

 Fund Title I at a level $450 million above the President’s request, a level that ensure local education agencies do not take a cut. As it stands now, changes in the state set aside and hold harmless provision mean that the President’s proposed level leaves a $200 million short fall at the local level. The $450 million number covers the $200 million shortfall as well as the optional 3% set aside that states can exercise.

 IDEA: President Obama proposes level funding which freezes the federal share at 16% of the additional cost associated with educating students with special needs. This is less than half of the authorized 40% and represents a continued commitment to encroaching on local budgets. Encourage your Congressional delegation to support a funding increase for IDEA.

 Title IV A (ESSA): Fund Title IV-A at a level robust enough to support meaningful formula allocation. Congress was deliberate in the manner in which it structured the new Title IV, including a significant growth in the authorized level and converting the program to formula allocation. The President proposes a $500 million funding level (less than 1/3 of the authorized amount) and reverts the program to competitive allocation, which would make the resources available to some, not all (A system of winners and losers). It is critical that the resources of Title IVA make their way to all schools via formula.

**ESEA**: The push for ESSA right now is related to implementation. USED has released the consensus draft regulations accomplished through negotiated rulemaking, covering the assessment-related topics (alternate assessment, computer adaptive assessment, 8th grade advanced math assessment, English Learner assessment, and high school local assessment). The committee did NOT reach consensus around the supplement/supplant regulations, and USED is expected to release its proposal on that topic in the next month or so. USED is also expected to release its regulations on accountability.

 Read [AASA’s ESSA resources](http://www.aasa.org/AASAESSA.aspx)

 The AASA policy blog has moved. Please make sure to update your bookmark: <http://www.aasa.org/policy-blogs.aspx?blogid=84002>

 Also, check out the new AASA IDEA Blog: <http://www.aasa.org/idea-blog.aspx?blogid=84005>

 50 state analysis of school accountability systems: See the latest report from Center for American Progress, which analyzes the measures that states currently include in their accountability systems and examines how state systems compare with the new law’s provisions, which will take effect in the 2017-18 school year([Full report](https://cdn.americanprogress.org/wp-content/uploads/2016/05/17094420/AccountabilityLandscape-report2.pdf);[Summary/Overview](https://cdn.americanprogress.org/wp-content/uploads/2016/05/13125015/AccountabilityLandscape-report1-summary.pdf); and [Related website](https://www.americanprogress.org/issues/education/report/2016/05/19/137444/making-the-grade/))

**IDEA Call-to-Action**

AASA just completed a call-to-action on proposed regulations issued by the U.S. Department on Education on how to calculate, address and mitigate significant ethnic and racial disproportionality in special education. You can read our comments here: <http://www.aasa.org/uploadedFiles/Sample/AASASigDisproComments.pdf>

These proposed comments would have a substantial impact on IDEA funding for small, rural districts (compared to others). We are highly concerned by this proposed regulation and believe it will lead to the misdirection of precious federal resources. The vast majority of comments filed were by rural district leaders and they were overwhelmingly negative.

**Overtime Regulations**: President Obama released the final rule on his Overtime Rule (read our [previous blog](http://aasa.org/aasablog.aspx?id=37842&blogid=286) on the topic). Under current regulations, most workers who earn below $23,660 per year are eligible for overtime. Broad exemptions from overtime requirements apply to salaried workers who earn above this threshold, and generally speaking, teachers, principals, and superintendents will not be affected by this change, thanks to the FLSA’s [“learned professional” exemption](http://www.dol.gov/whd/overtime/fs17d_professional.htm). The Labor Department’s [latest move](https://www.dol.gov/sites/default/files/overtime-overview.pdf) is to double that earnings threshold to $47,476 per year, making millions of workers newly eligible for overtime. You can [see how many workers would be affected state-by-state here](https://www.whitehouse.gov/sites/default/files/docs/ot_state_by_state_fact_sheet.pdf)

**Transgender Guidance**: Last week, President Obama released guidance related to the treatment of transgender students in schools. The guidance, aimed at schools, says they should [allow transgender students to use the restrooms associated with their gender identity](http://blogs.edweek.org/edweek/rulesforengagement/2016/05/obama_administration_to_schools_no_restrictions_on_transgender_restroom_access.html). The ‘[Dear Colleague](http://www2.ed.gov/about/offices/list/ocr/letters/colleague-201605-title-ix-transgender.pdf)’ letter was sent jointly from the US Education Department and the Department of Justice. The Department of Education also released a [compilation of examples](http://www2.ed.gov/about/offices/list/oese/oshs/emergingpractices.pdf) of ways that schools across the country are already successfully supporting transgender students. Among the directions included in the guidance:

 Educators must respond quickly to harassment, "including harassment based on a student's actual or perceived gender identity, transgender status, or gender transition;"

 Schools should honor students' gender identity, even if it differs from the biological sex listed on their educational records;

 Schools must allow transgender students to participate in and access sex-segregated activities, facilities, and classes consistent with their gender identity; and

 Educators must keep students' transgender status private unless they chose to disclose it to their peers.

**Foster care** Under ESSA, new provisions impacted the transportation and treatment of students in foster care will go into effect in December. AASA in coordiantion with the NAEHCY has put together a helpful guide on what the law requires and what questions districts should consider when contemplating how to ensure a student in foster care can continue to attend their school of origin. Please review them and share these resources widely as they will be difficult for small, rural districts to implement in a timely fashion: <http://www.aasa.org/AASAESSA.aspx> We anticipate ED will also issue guidance in June that will highlight additional responsibilities for districts and hopefully provide relevant resources for districts in how to meet these new mandates.

**School Nutrition**

Last week, the House Education and the Workforce Committee marked-up the Improving Child Nutrition and Education Act, to reauthorize what is now the Healthy Hunger-Free Kids Act. This bill will improve the nutrition standards by requiring a study of any regulations taking into account their impact on cost, participation and nutrition of students to ensure that the standards do not increase the cost of a meal past the federal reimbursement rate and do not cause students who would otherwise eat at school to eat elsewhere. The bill also includes a 3 cent per meal increase for breakfast reimbursement and changes the review period from every three years to every five years, cutting down on administrative time.

AASA does have three concerns with the bill. As with the Senate bill, it increases the required verification of free and reduced price lunch eligibility, it raises the threshold for the Community Eligibility Provision from 40 percent to 60 percent, and it includes a pilot program that would essentially block grant school nutrition funding for three states while exempting them from all federal mandates. We will work with the committee and the Senate to ensure a final bill best allows districts to run their nutrition programs effectively and efficiently.

Numerous amendments were adopted during the mark-up, but none that substantially changed AASA's position on the bill.