

Politics and Policy Report Week of January 21-25, 2013

Updated 1/28 – see article on sequestration that ran on Friday – full article pasted at end of the report!

Don't forget to register for the Emergency Management Webinar Training Tomorrow Featuring Remarks from Secretary Duncan! Registration info below. This is a free presentation!

Last Tuesday's Conference Call Recap: Following the NAESP's advocacy update on Congressional activity, in light of the bipartisan Congressional focus on mental health issues in Congress, this week's conference call turned to issues principals face when trying to help students that need mental health services. Some issues raised include paperwork and privacy concerns that make it hard to help student that leave your school since too often their diagnosis and treatment history does not follow them. An additional point was made that parents may refuse help or lack the necessary follow-through to get their child the mental health services they need, tying the hands of school administrators or support staff. Issues like these are helpful for the NAESP advocacy team to know as we work with Congressional staff on mental health and school safety legislation.

WEBINAR PRESENTATION ON EMERGENCY MANAGEMENT WITH USED

It is our pleasure to announce that the U.S. Department of Education's Secretary, Arne Duncan, plans to be a part of the upcoming school emergency management planning webinar that will be offered to NAESP members on January 29th, 2013 at 5 p.m. EST. This is an exclusive presentation for NAESP members only. The webinar will provide a brief overview of the key elements involved in comprehensive, all-hazards school emergency management planning. This one-hour webinar, designed to explain the components and process of school emergency management planning, will provide you with basic information designed to help individual schools and school districts learn more about how comprehensive, all-hazards plans are developed, implemented, and maintained. Immediately following the webinar will be a brief question and answer session, along with information on how to access more information and resources.

To register, please go to http://rems.ed.gov/webinars/webinar002. Due to the limited capacity of the system, we are only able to offer registration to state affiliate leaders. The Department plans to record and archive the webinar, and we will provide you with access to the archived presentation once it is available for broader dissemination to your membership.

Congressional Update

Senate examines Mental Health System: In its first hearing of the new Congress, the Senate Health, Education, Labor and Pensions Committee held a hearing on Thursday examining the mental health system in the U.S. The House Energy and Commerce subcommittee is also expected to hold a similar hearing which has gained political gravitas following the Newtown school shooting. Following the President's package of proposals released last week to increase access to mental health services, make schools safer and reduce gun violence, mental health issues are ripe for bipartisan action.

Senator Al Franken (D-MN) is expected to introduce a bill that would help schools identify students with mental health issues and access necessary care by improving collaboration between schools and community mental health service providers. Companion legislation will be introduced by Rep. Grace Napolitano (D-CA). While bipartisan support may be growing to tackle mental health parity issues, the central issue of funding still remains with Congress' continued focus on budget cuts.

Debt Celling Extension Approved in House: The House on Wednesday approved a short-term extension to the government's borrowing authority, allowing Treasury to borrow the amount needed to pay its regular obligations, unrestricted by any borrowing limit though May 19. On May 19 the debt limit will automatically be raised to the level of debt accrued on that date. The measure was approved by a vote of 285-144. In all, 199 Republicans and 86 Democrats voted for the bill; 33 Republicans and 111 Democrats voted no. You can see how your Member of Congress voted here. House Republican Leadership backed away from earlier threats of default and gained support for the measure by saying they will push a plan to cut billions in federal spending in the coming months. Although they argued for most of 2012 that any debt ceiling increase could only pass with an equal amount of budget cuts, Republicans also walked away from that demand a full month before debt ceiling was expected to be reached. The Senate is expected to take up the House-passed bill early next week.

Republicans are hoping that the time between now and mid-May will allow for some thoughtful deficit reduction plans to be flushed out. Before Mid-May, automatic across-the-board budget cuts known as sequestration are scheduled to begin, which Speaker John Boehner (R-OH) says will be in place unless spending cuts and entitlement reforms are passed into law balancing the budget over the next ten years. Balancing the federal budget within a decade would require much deeper cuts than expected as a result of sequestration. It can be expected that any budget proposal later this year from the Republican-controlled House Budget Committee will contain deep cuts to education investments.

Meanwhile, the temporary bill funding government operations expires at the end March, and reflects spending levels that were previously agreed to in the deficit reduction package of 2011. Republicans are now claiming they will reduce the established spending cap for discretionary spending for the current fiscal year, creating yet another showdown between both parties as Congress faces looming fiscal deadlines.

Sequestration Update: SEE ARTICLE BELOW Current unofficial estimates of the sequester cuts to non-defense discretionary spending, which includes most of the U.S. Department of Education, stand at 5.1 percent. Based on this figure, the Department of Education would be cut by an aggregate \$2.51 billion

and Head Start would be cut by an additional \$409 million. Before the total amount of sequestration was reduced in the New Year's 2012 fiscal cliff deal, the education department was scheduled to be hit with just over \$4 billion in automatic budget cuts.

Education Reform Makes List of Senate Top Priorities Senate Majority Leader Harry Reid (D-NV) announced the first ten bills of the new Congressional session with an aim to strengthen the middle class. Essentially, Senate Democrats are reserving the first 10 bill numbers for their top priorities even though legislative language may not be finalized for a while. Sandy Hook Elementary School Violence Reduction Act, and Strengthen our Schools and Students Act- which presumably is comprehensive Elementary and Secondary Education Act reauthorization are included as top legislative priorities. Further priorities include: Comprehensive Immigration Reform, Rebuild America Act, Violence Against Women Act, Putting Our Veterans Back to Work Act, Preparing for Extreme Weather, End Wasteful Tax Loopholes, Clean and Fair Elections Act and an Agriculture Jobs Bill.

Congressional Schedule: The House is in recess until February 4. Senate Majority Leader Harry Reid (D-NV) said this week that clearing the Superstorm Sandy aid package is his chamber's "first item of business," but Republicans could slow the process by seeking changes to the House-passed bill. Meanwhile, Senator Reid and Minority Leader Mitch McConnell (R-KY) have reached a compromise on reforms on how the Senate operates that does not get rid of the silent filibuster.

House Education Committee Confirms Roster: As the 113th Session of Congress gets underway, Committee assignments are being finalized, including the education committees. House Education and Workforce Committee Chairman, John Kline (R- MN) said his panel could address higher education and student loan interest rates, which are set to increase this summer. Kline also stated that Elementary and Secondary Education Act (ESEA) reauthorization remains a "top priority" but reiterated that a long list of authorizing legislation is overdue.

Officially Rep. Todd Rokita (R-IN) is now the Chairman of the Early Childhood, Elementary and Secondary Education Subcommittee and Rep. Carolyn McCarthy (D-NY) is the Ranking Member of that Subcommittee.

Early Childhood, Elementary and Secondary Education Subcommittee (bold names are new to the subcommittee)

Republicans	Democrats
Todd Rokita, Indiana (Chairman)	Carolyn McCarthy, New York
John Kline, Minnesota	(Ranking Member)
Thomas E. Petri, Wisconsin	Robert C. "Bobby" Scott, Virginia
Virginia Foxx, North Carolina	Susan A. Davis, California
Kenny Marchant, Texas	Raúl M. Grijalva, Arazona
Duncan Hunter, California	Marcia L. Fudge, Ohio
David P. Roe, Tennessee	Jared Polis, Colorado
Glenn Thompson, Pennsylvania	Gregorio Sablan, N. Mariana Islands
Martha Roby, Alabama	Frederica Wilson, Florida
Susan Brooks, Indiana	

House Education and the Workforce Committee (bold names are new to the subcommittee)

Republicans	Democrats
John Kline, Minnesota (<i>Chairman</i>)	George Miller, California
Thomas E. Petri, Wisconsin	(Senior Democratic Member)
Howard P. "Buck" McKeon, California	Robert E. Andrews, New Jersey
Joe Wilson, South Carolina	Robert C. "Bobby" Scott, Virginia
Virginia Foxx, North Carolina	Rubén Hinojosa, Texas
Tom Price, Georgia	Carolyn McCarthy, New York
Kenny Marchant, Texas	John F. Tierney, Massachusetts
Duncan Hunter, California	Rush Holt, New Jersey
David P. Roe, Tennessee	Susan A. Davis, California
Glenn Thompson, Pennsylvania	Raúl M. Grijalva, Arizona
Tim Walberg, Michigan	Timothy H. Bishop, New York
Matt Salmon, Arizona	David Loebsack, Iowa
Brett Guthrie, Kentucky	Joe Courtney, Connecticut
Scott DesJarlais, Tennessee	Marcia L. Fudge, Ohio
Todd Rokita, Indiana	Jared Polis, Colorado
Larry Bucshon, Indiana	Gregorio Sablan, Northern Mariana Islands
Trey Gowdy, South Carolina	John Yarmuth, Kentucky
Lou Barletta, Pennsylvania	Frederica Wilson, Florida
Martha Roby, Alabama	Suzanne Bonamici, Oregon
Joseph J. Heck, Nevada	
Susan Brooks, Indiana	
Richard Hudson, North Carolina	
Luke Messer, Indiana	

Administration

State Waiver Website Unveiled: The U.S. Department of Education put together a <u>new website</u> detailing the state waiver process, which is helpful if your state has received a flexibility waiver to No Child Left Behind provisions or are awaiting approval.

Congressional Update - Sequestration

Belief Spreads in Washington That Congress Will Ignore Sequester Deadline

By Paul M. Krawzak, CQ Roll Call

Barely more than a month before billions of dollars in automatic, across-the-board reductions in federal spending start taking effect, there's a growing belief across Washington that the March 1 deadline will pass without action by Congress to stave off the sequester.

That's in part because many lawmakers are looking toward the expiration a few weeks later of the continuing resolution (PL 112-175) funding government operations this fiscal year, which they believe will bring a new opportunity to address spending.

But it's also because the impact of the automatic cutbacks has been eased since the original cuts that were to take effect on Jan. 2 were modified by the fiscal-cliff law, according to budget experts.

"It's going to happen," said Senate Majority Whip Richard J. Durbin, D-III., who believes most House and Senate Republicans favor the sequestration going forward in the absence of alternative spending cuts.

"What's the alternative," he said, "if you don't have House Republican support for changing it?"

Durbin said Democrats are discussing ways to blunt the impact of the sequestration with the White House, but he did not elaborate.

Patrick Lester, federal fiscal policy director at Center for Effective Government, formerly OMB Watch, said the diminished urgency reflects the new political dynamics in Congress since the fiscal-cliff deal (PL 112-240) was passed at the start of the year.

"I think the possibility of it [sequestration] happening is very high," he said. "Republicans don't have the same political motivation to come to any agreement. The sequester is not the end of the world."

That's in part because of the somewhat softer impact of the cuts as a result of the fiscal-cliff law. The cuts overall would be \$24 billion less than in the Jan. 2 sequester, and the percentage by which domestic spending would be cut falls markedly.

"It's no longer quite the end of the world that some people were describing," said Barry Anderson, deputy director of the National Governors Association and a former senior career official at the Office of Management and Budget. "There are worse things than swallowing a 5 percent cut."

Based on estimates by Richard Kogan, a senior fellow at the Center on Budget and Policy Priorities, non-defense discretionary accounts would be trimmed by 5.1 percent, compared to 8.2 percent under the original sequestration. Defense accounts would be cut by 7.3 percent, compared to 9.4 percent before the fiscal cliff law.

The original sequestration required under the August 2011 debt limit law (PL 112-25) would have cut spending by \$109 billion beginning Jan. 2. Now, as modified by the fiscal cliff law, the sequestration would cut spending by \$85 billion starting March 1.

Defense and non-defense each would take about a \$43 billion hit, according to the CBPP analysis.

Overall discretionary spending would be reduced by \$69 billion and mandatory spending by \$16 billion.

While defense would be cut by \$43 billion, discretionary domestic spending would be reduced by \$26 billion, Kogan said. Medicare would be cut by \$11 billion and other domestic mandatory spending by \$5 billion.

The exact reductions to government accounts would be determined by the OMB, which does not have to release its calculations until the sequester begins. Even if the sequestration hit March 1, Anderson

said OMB could soften the blow of the spending cuts by using a process called apportionment to delay them until later in the year. "They could put it all [the across-the-board cuts] into September," he said.

Administration officials have not said whether they would use apportionment to delay the spending cuts or take other actions to blunt the immediate impact of the sequestration.

But the expiration of the stopgap funding measure on March 27 may mark the most important opportunity to address the sequester.

That need for another funding mechanism gives Congress and the White House another three weeks after the scheduled start of the sequestration to reach agreement to fund the government for the rest of the year as well as deal with the automatic cuts, perhaps by replacing them in part or in full with other deficit reduction.

"They can undo the sequester if they all agree to it later in the month," Anderson said. "So my guess is that we're really looking towards the end of March as [far as] who is willing to give up what in order to get what they want."

Agencies Are Instructed

With the exception of the Department of Defense, there is little public indication that agencies beyond the Pentagon have made much progress in preparing for the event.

The Pentagon already has implemented a civilian hiring freeze in anticipation of tighter funding for the rest of fiscal 2013, which ends Sept. 30. Defense officials also are discussing the possible furlough of the department's 791,000 civilian employees if the sequester is triggered.

The preparations began after Jeff Zients, deputy director for management at OMB, on Jan. 14 issued instructions to all departments and agencies to "plan for and manage this budgetary uncertainty" arising from the scheduled sequestration and expiration of a stopgap funding measure March 27.

OMB warned that if the sequester takes place, it would have "significant and harmful impacts." Zients told agencies not to make any spending reductions in preparation for automatic cuts at this time. But he asked federal officials to continue planning for a sequestration and to review ways to reduce workforce costs including through hiring freezes, authorizing early retirements, furloughs and review of contracts and grants.

Tim Kauffman, a spokesman for the American Federation of Government Employees, the largest union representing federal workers, said there is little evidence that agencies beyond the Pentagon have made progress in the 10 days since the letter, however.

"We haven't heard ... of any agencies doing anything yet," Kauffman said, adding, "They're supposed to be involving us in any ... decisions on what to do." AFGE, the largest government employee union, has

protested the OMB guidance, complaining that it gives government contractors a pass in any workforce cost reductions that may be necessary.

In a Jan. 16 letter to OMB, AFGE National President J. David Cox Sr. said while OMB proposes "big hits" on the federal workforce, "service contractors emerge relatively unscathed" in the guidance. He also said the agency's instructions increase the likelihood of "direct conversions," or reducing the regular federal workforce and illegally filling those jobs with contractors.

Alan J. Ota contributed to this report. Source: CQ News Round-the-clock coverage of news from Capitol Hill. © 2013 CQ Roll Call All Rights Reserved.

Other News

High School Graduation Rate Increase: In a report released this week, <u>Public School Graduates and Dropouts from the Common Core of Data: School Year 2009–10</u>, data shows that U.S. high school graduation rate has risen to 78.2%, a 40-year high based on the averaged high school freshman graduation rate for public high school students in 2009-10. The 10 point increase in Hispanic graduation rates may be driving the increase, still only 66 percent of black students and 69 percent of American Indian students graduate in 4 years as compared to 83 percent of their white counterparts.