

No Child Left Behind Act of 2001

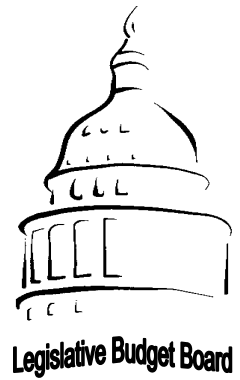
Prepared by the Legislative Budget Board Staff

House Committee on Appropriations

Subcommittee on Education

April 2, 2002

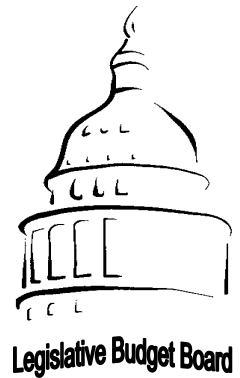
Overview of the NCLB Act



- **Federal Authorizations**
 - Title I – Education for the Disadvantaged
 - Improving Teacher and Principal Quality
 - School Improvement Programs
 - Flexibility

- **Appendix: Education Reforms**
 - Assessment
 - Accountability
 - Highly Qualified Teachers
 - Rulemaking

NCLB Act



- Authorizes funding levels for the main sources of federal aid to public schools
- Actual funding levels are set in annual Labor-Health and Human Services-Education Appropriations bills passed by Congress
- Although the NCLB Act authorized a 20% increase to education programs, the FY 2002 Labor-Health and Human Services-Education Appropriations bill increases national funding by 15%
- Newly authorized programs to address reading proficiency and teacher quality
- Flexibility to combine funds to address specific needs
- Significant increases to Title I funding

Appropriations

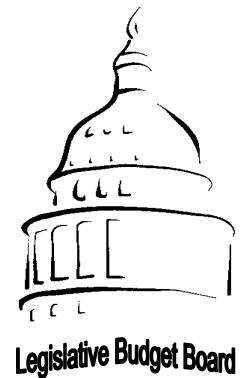
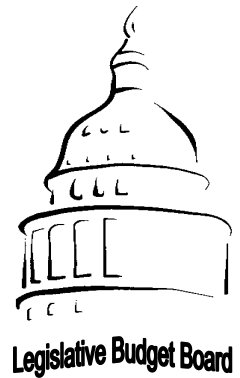


Figure 1. Allocations to Texas for the No Child Left Behind Act Programs
(In Millions)

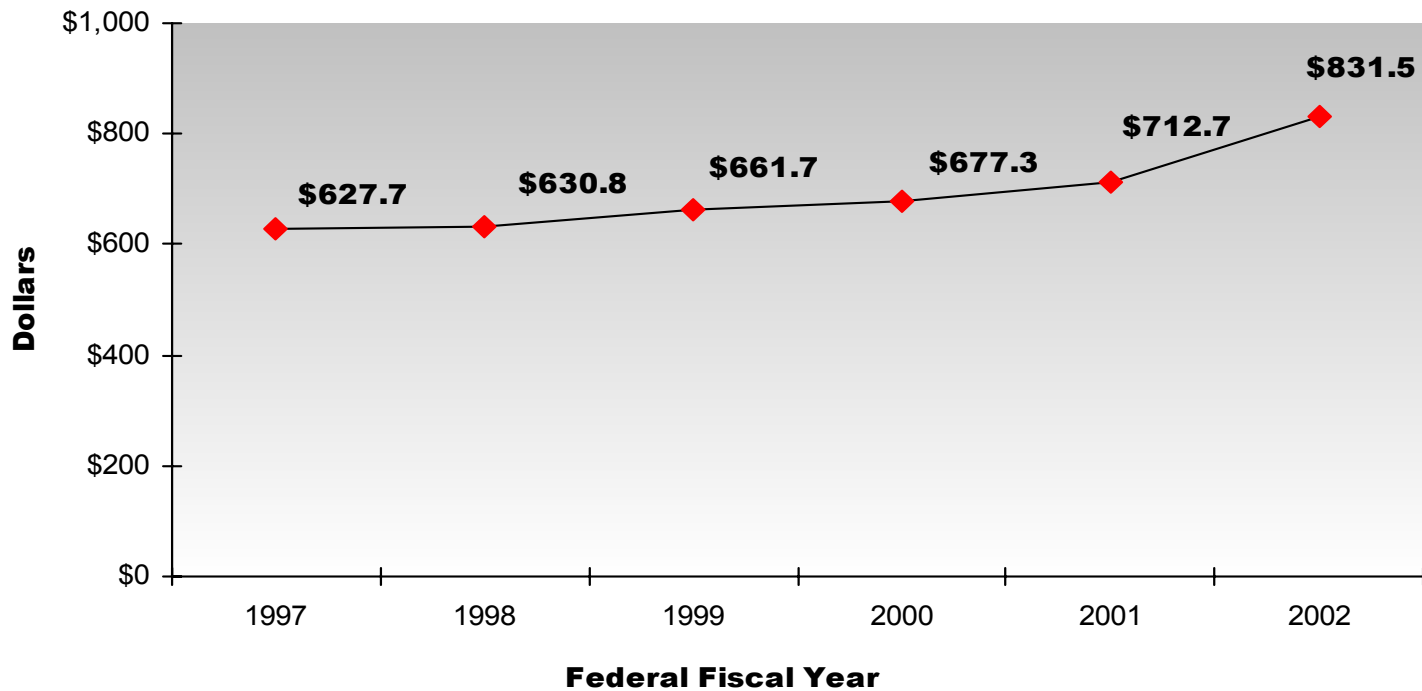
Program	FY 2000	FY 2001	FY 2002	Change from FY 2001
Title I				
Basic	\$567.4	\$579.4	\$573.1	(\$6.3)
Concentration	98.3	113.5	113.3	(0.2)
Target	0.0	0.0	83.4	83.4
Education Finance Incentive	0.0	0.0	61.6	61.6
Reading First Initiative	0.0	0.0	79.0	79.0
Migrant	50.9	53.8	55.9	2.1
Even Start	12.1	17.7	17.8	0.1
Accountability	11.5	19.8	0.0	(19.8)
Comprehensive School Reform	14.4	18.2	18.0	(0.2)
Neglected and Delinquent	2.8	2.9	2.6	(0.3)
Reading Excellence Act	12.0	12.0	0.0	(12.0)
Teacher Quality	0.0	0.0	229.9	229.9
Class Size Reduction	105.3	131.5	0.0	(131.5)
Eisenhower Professional Development	26.6	39.2	0.0	(39.2)
School Renovation	0.0	95.0	0.0	(95.0)
Educational Technology	0.0	0.0	48.5	48.5
Technology Literacy Challenge Fund	36.7	38.3	0.0	(38.3)
Innovative Education Program Strategies	27.7	29.2	29.2	0.0
Safe and Drug-Free Schools	34.4	35.0	36.5	1.5
21st Century Community Learning Centers	0.0	0.0	24.0	24.0
Community Service State Grants	0.0	0.0	4.0	4.0
Fund for the Improvement of Education	3.8	3.8	5.8	2.0
Education for Homeless Children and Youth	2.5	2.8	4.0	1.2
State Assessments	0.0	0.0	19.5	19.5
Rural and Low -Income Schools	0.0	0.0	8.6	8.6
Language Acquisition State Grants	0.0	0.0	62.0	62.0
Immigrant Education	13.2	14.3	0.0	(14.3)
Total	\$1,019.6	\$1,206.4	\$1,476.7	\$270.3

Source: Legislative Budget Board.

Title I, Part A: Grants to Local Educational Agencies

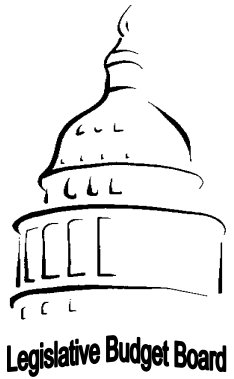


**Figure 2. Title I Funds to Texas for
Title I, Part A: Grants to Local Educational Agencies
(In Millions)**



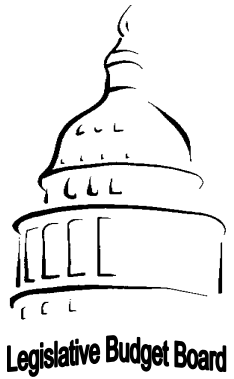
Source: U.S. Department of Education.

Title I, Part A



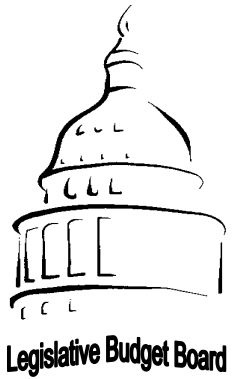
- Child formula count = Number of children (5- 17 years old) living in poverty
- Basic and Concentration Grants: \$686.4 million for Texas
 - Child formula count
 - State per pupil expenditure
- Targeted Grants: \$83.4 million for Texas
 - Five-tiered weighting system for child formula count
 - State per pupil expenditure
- Education Finance Incentive Grants: \$61.6 million for Texas
 - State child formula count
 - Effort (per pupil expenditure relative to per capita income)
 - Equity (variance in per pupil expenditure)
 - Five-tiered weighting system for child formula count

Title I , Part A



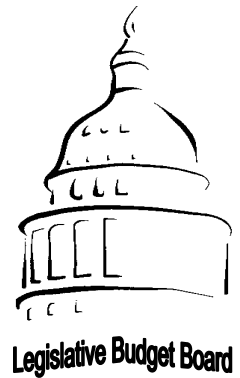
- Guarantees a percentage of prior year's funding to districts depending on child formula count
 - 95% if child formula count makes up at least 30% of enrollment
 - 90% if child formula count makes up at least 15%
 - 85% if child formula count is less than 15%
- Poverty threshold for Title I school-wide programs (vs. programs specific to Title I students only) is lowered from 50% to 40% of poverty.

Reading First



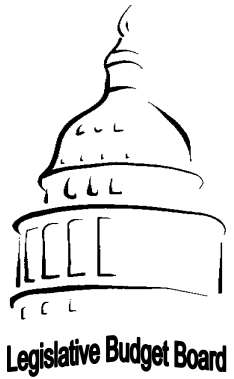
- Formula grant program: \$79.0 million for Texas
 - Provides funds to identify and adopt “scientifically based” reading programs for kindergarten through 3rd grade
 - Replaces Reading Excellence Act (-\$12.0 million)
- States have flexibility to determine eligibility, but priority must go to:
 - High poverty districts that have a high percentage of kindergarten through 3rd grade students reading below grade level;
 - Districts identified as needing improvement under Title I or as having high percentage of children counted under Title I.
- States must distribute 80% to districts; remaining 20% funds may be used for professional development, technical assistance for districts/schools, and administration

Early Reading



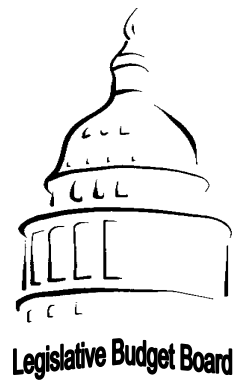
- Competitive grant program: \$75 million
 - Estimated number of grants: 50-100 nationally
 - Estimated range: \$750,000 - \$1.5 million
 - Project period: Not to exceed 6 years
- Provides funding to support efforts to enhance the early language, literacy, and pre-reading development of 3 to 5 year old children
- Eligible Applicants
 - School districts eligible for Reading First
 - Public or private community organizations served by a school district eligible for Reading First
 - One or more eligible districts collaborating with one or more public or private community organizations

Improving Teacher Quality



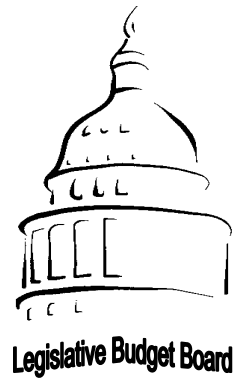
- Formula grant program: \$229.9 million for Texas
 - Consolidates Class Size Reduction and Eisenhower Professional Development Grants (-\$170.7 million)
 - Focuses on preparing, training, and recruiting highly qualified teachers (See Appendix for allowable activities, definitions, implementation deadlines, and compliance issues.)
- States must distribute 95% of the funds to school districts
 - Base allocation of district's FY 2001 Eisenhower Professional Development Grants and Class Size Reduction funds
 - Excess funds distributed 80% based on school age students living in poverty, and 20% based on school enrollment
- States must reserve 2.5% of the funds for state level activities
- States must reserve 2.5% for state agencies for higher education for competitive grants to partnerships (higher education institutions and school districts)

State and Local Technology Grants



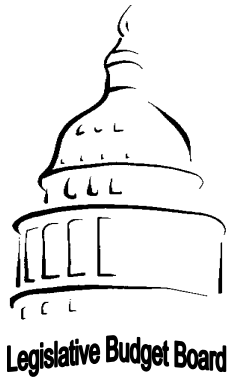
- Formula grant program: \$48.5 million for Texas
 - Based on state's current year share of Title I funds
 - Consolidates several technology-related programs
 - Technology Innovation Challenge Grants (-\$7.9 million)
 - Technology Literacy Challenge Funds (-\$38.3 million)
- States must distribute funds to school districts
 - 50% based on district's current year share of Title I funds
 - 50% awarded competitively to high-need districts
 - High percentage of children living in poverty
 - Have schools needing improvement
 - Substantial need for assistance in acquiring and using technology

21st Century Community Learning Centers



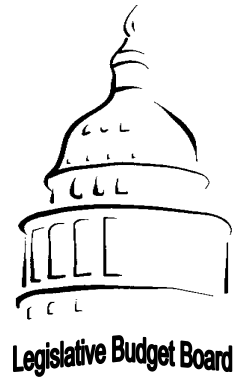
- Formula grant program: \$24.0 million for Texas
 - Based on state's prior year share of Title I funds
 - Formerly awarded competitively to school districts (-\$17.7 million)
 - Funds before and after school activities designed to improve academic achievement
 - Must primarily serve students in schools with concentration of poor students
- States must distribute at least 95% of funds on a competitive basis to eligible school districts, community based organizations, or public and private entities
- States may reserve up to 2% for administration, and up to 3% for state level activities.

Flexibility



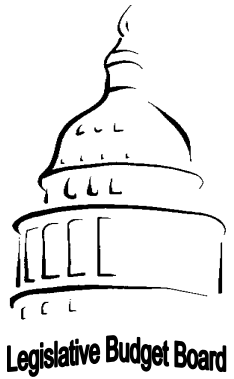
- 50% of non-Title I formula funds may be transferred into Title I programs or between select non-Title-I formula programs.
 - Transferred funds must follow receiving program's requirements .
 - States are only allowed to transfer state level and administration funds.
 - School districts may transfer funds without state approval.
- Non-Title I formula grants include the following programs:
 - Improving Teacher Quality
 - State and Local Educational Technology
 - Safe and Drug Free Schools
 - Innovative Education
 - Includes state level and administration funds from the 21st Century Community Learning Centers Program
- 150 school districts and 7 states will be chosen nationally to participate in performance agreements to combine 100% of non-Title I funds.

Rural Initiatives



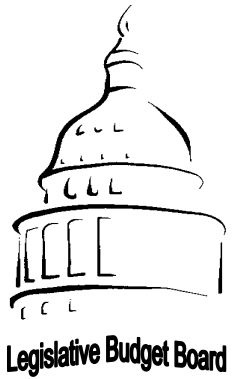
- Small Rural School Achievement Program
 - Allows for consolidation of the following programs
 - Improving Teacher Quality
 - Innovative Education
 - Safe and Drug Free Schools
 - State and Local Educational Technology
 - Provides funds directly to school districts
- Rural and Low-Income School Program \$8.6 million to Texas
 - Provides additional funds to rural districts that serve concentrations of poor students, but are ineligible to participate in the program above.

Language Acquisition State Grants



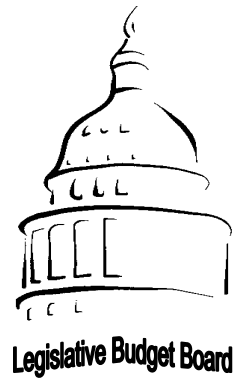
- Formula grant: \$62.0 million for Texas
- Consolidates the following programs (only when federal appropriation \geq \$650 million) into the Language Instruction for Limited English Proficient and Immigrant Students
 - Bilingual Education Programs (-\$20.2 million, formerly awarded competitively to school districts)
 - Emergency Immigrant Education Program (-\$14.3 million)
- Within state allocations
 - No more than 15% can be reserved for school districts with major increases of Limited English Proficiency (LEP) students
 - Based on school district's share of LEP students
- Flexibility exists to choose the method of instruction for these students

Innovative Education State Grants



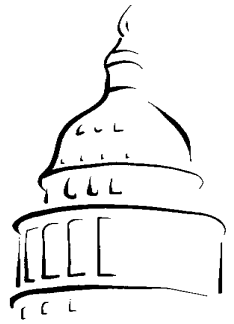
- Formula grant: \$29.2 million for Texas
- States must distribute 85% to school districts; remaining funds may be used for:
 - Administration
 - Urgent school renovation, activities authorized under part B of the Individuals with Disabilities Education Act, and technology activities related to school renovation.
- School districts may use funds for a number of different activities:
 - Professional development and class-size reduction activities;
 - Charter schools;
 - Community service programs;
 - Consumer, economic, and personal finance education;
 - Public school choice; programs to hire and support school nurses;
 - School-based mental health services; alternative education programs; pre-kindergarten programs;
 - Academic intervention programs

Education Reforms



- Appendix A: Assessment
- Appendix B: Accountability
- Appendix C: Corrective Actions
- Appendix D: Improving Teacher Quality Activities
- Appendix E: Highly Qualified Teacher and Paraprofessional Definitions
- Appendix F: Key Implementation Requirements for Teachers and Paraprofessionals
- Appendix G: Highly Qualified Teacher and Paraprofessional Compliance

Appendix A: Assessment



Legislative Budget Board

1994 ESEA*

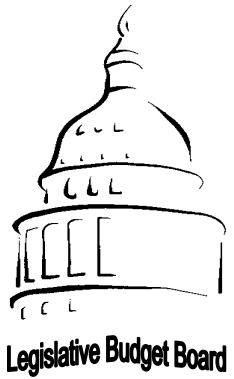
- Reading and Math assessments at least once in each of the following grade spans:
 - 3-5
 - 6-9
 - 10-12

No Child Left Behind

- Starting in 2005-06, annual testing of reading and math in the following grade span:
 - 3-8
- 1994 ESEA requirement continues for:
 - 10-12
- Starting in 2007-08, science testing at least one time in the following grades:
 - 3-5
 - 6-9
 - 10-12
- Starting in 2002-03, annual testing of English proficiency (oral language, reading, and writing skills) for all Limited English Proficiency students

*Elementary and Secondary Education Act (ESEA)

Assessment (continued)



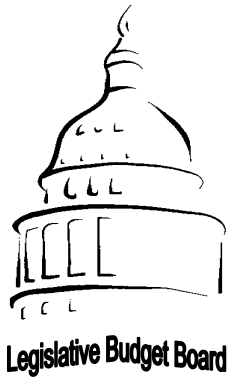
1994 ESEA

- Assessments at least for Title I students and schools.
- Limited English Proficiency (LEP) students
 - Assessments in the language that gives the most reliable results.

No Child Left Behind

- Assessments must include participation by all students including:
 - Students with Disabilities
 - With reasonable adaptations and accommodations
- LEP students
 - 1994 ESEA requirement continues;
 - Students that have been in the U.S for more than 3 consecutive school years must be tested in English; and
 - School districts may decide on a case-by-case basis for up to 2 years.

Assessment (continued)



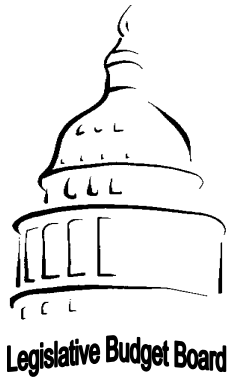
1994 ESEA

- Voluntary state participation in the National Assessment of Educational Progress (NAEP).
- State Assessment Funding
 - States could use school improvement funds for test development in some cases.

No Child Left Behind

- Mandatory state participation, beginning in 2002-03 school year, in the NAEP.
 - Every other year at federal cost
 - Grades 4 and 8
 - Reading and Mathematics
- State Assessment Funding
 - \$19.5 million for Texas

Appendix B: Accountability



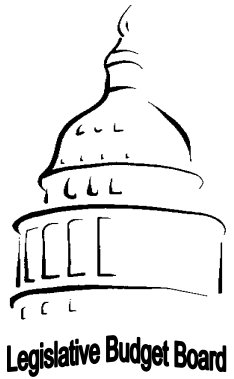
1994 ESEA

- Adequate Yearly Progress (AYP)
 - Students served by Title I must have continuous and substantial improvement
- Reporting Requirements
 - States, districts, and schools must publicize and disseminate information on school and district performance
 - Assessment results must be disaggregated for disabled and poor students by gender, racial/ethnic groups, English proficiency status, migrant status.

No Child Left Behind

- AYP
 - All students must reach a proficient or advanced level of achievement within 12 years.
- Reporting Requirements
 - Report Cards must include assessment results for states, districts, and schools.
 - Student assessment results disaggregated for the same groups listed in 1994 ESEA.

Appendix C: Corrective Actions



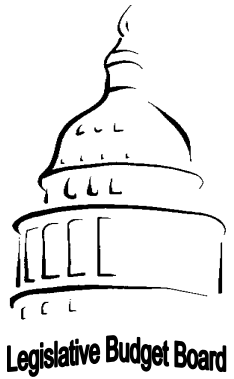
1994 ESEA

- Fail to make AYP for two years
 - Identify schools needing improvement
 - Students enrolled in identified schools have option to transfer
 - No provisions for supplementary services

No Child Left Behind

- Fail to make AYP for two years, same as 1994 ESEA.
- After 3rd year, schools must offer supplemental services for low-income students
- After 4th year, districts must take one or more of the following actions:
 - Replace certain staff
 - Fully implement a new curriculum
 - Appoint an outside adviser

Corrective Actions (continued)



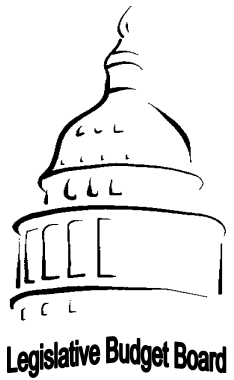
1994 ESEA

- After 4th year, district must take some correction action that may include:
 - Withholding funds
 - Interagency agreements to provide social services
 - Alternative governance arrangements

No Child Left Behind

- After 5th year, districts must take one or more of the following actions:
 - Convert to a charter school
 - Replace all or most of the staff
 - Turn management over to the state or private company
- If a state fails to meet any of the requirements in this section, the U.S. Secretary of Education may withhold funds for state administration until the state has fulfilled the requirements.

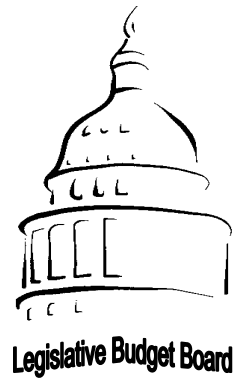
Appendix D: Improving Teacher Quality Activities



State Activities:

- Reforming teacher and principal certification (including recertification) or licensure requirements;
- Carrying out programs that provide support to teachers, principals, or assistant principals;
- Carrying out programs that establish, expand, or improve alternative routes for state certification of teachers and principals;
- Developing and implementing effective mechanisms to assist school districts in effectively recruiting and retaining highly qualified teachers and principals, including specialists in core academic subjects and pupil services personnel;
- Developing systems to measure the effectiveness of specific professional development programs and strategies to document student academic gains or increases in teachers' mastery of subjects; and
- Fulfilling the state's responsibilities concerning proper and efficient administration of the programs carried out under this part including technical assistance to school districts.

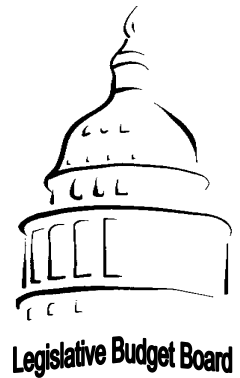
Improving Teacher Quality Activities (continued)



Local Activities:

- Developing and implementing mechanisms to assist schools in effectively recruiting and retaining highly qualified teachers, principals, and pupil services personnel;
- Initiatives to assist in recruiting and hiring highly qualified teachers including scholarships, signing bonuses or other financial incentives, such as differential pay;
- Tenure reform, merit pay, and testing of elementary and secondary school teachers in the subject areas taught by such teachers;
- Providing professional development activities that improve the knowledge of teachers and principals, and, where appropriate, paraprofessionals;
- Initiatives to promote retention of highly qualified teachers and principals, particularly within elementary and secondary schools with a high percentage of low-achieving students, including programs that provide mentoring to teachers and support for novice teachers and principals;

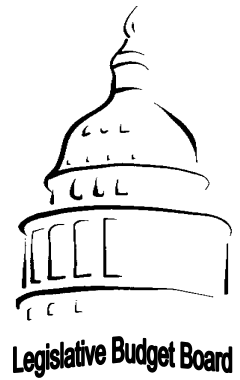
Improving Teacher Quality Activities (continued)



Local Activities (continued):

- Innovative professional development programs (which may be through partnerships including institutions of higher education), including programs that train teachers and principals to integrate technology into curricula and instruction to improve teaching and learning;
- Professional development programs that provide instruction in how to teach children with different learning styles, particularly children with disabilities and children with special learning needs;
- Professional development programs that provide instruction in methods of improving student behavior in the classroom;
- Professional activities designed to improve the quality of principals and superintendents;
- Developing teacher advancement initiatives that emphasize multiple career paths and pay differentiation; and
- Carrying out programs and activities related to exemplary teachers.

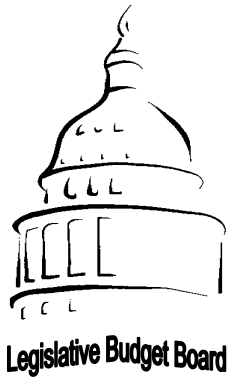
Appendix E: Highly Qualified Teacher Definitions



- New Elementary Teachers must:
 - Have a Bachelor’s degree.
 - Pass a state test demonstrating subject knowledge and teaching skills in reading, writing, math, and other areas of basic elementary school curriculum.

- New Middle School and Secondary Teachers must:
 - Have a Bachelor’s degree.
 - Demonstrate competency in each of the academic areas taught or complete an academic major, coursework equivalent to a major, a graduate degree or advanced certification.

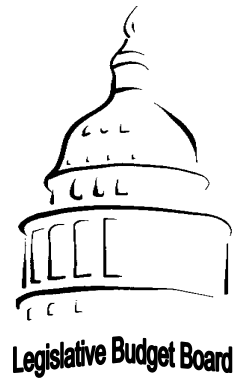
Highly Qualified Teacher Definitions (continued)



- Current Elementary and Secondary Teachers must:
 - Have state certification as a teacher (or alternative certifications) or pass a state’s licensing exam.
 - No certification/licensure requirements waived on an emergency, temporary, or provisional basis.

- Current Elementary, Middle, and Secondary Teachers must:
 - Have a Bachelor’s degree.
 - Meet the requirements of new teachers, or
 - Demonstrate competency in all subjects taught.
 - A state evaluation standard is to be used to judge competency.

Highly Qualified Paraprofessionals Definitions

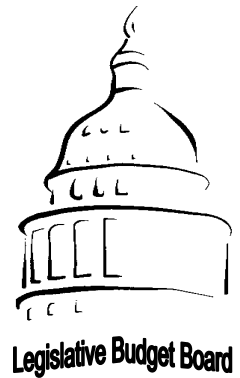


- New Title I-funded paraprofessionals must:
 - Have a high school diploma or GED
 - Meet one of the following requirements:
 - Completed at least two years of postsecondary study
 - Obtained an associate's (or higher) degree
 - Demonstrate through a formal state or local academic assessment, knowledge of and the ability to assist in instructing reading, writing, and math.

- Existing Title I-funded paraprofessionals must:
 - Meet one of the above requirements within 4 years.
 - Exempted: Aides limited to translation, classroom management, assisting in computer labs and libraries, or parent activities.

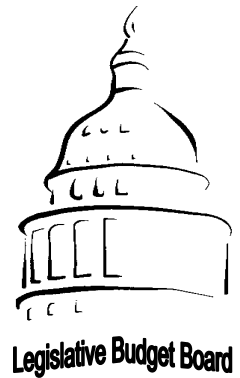
Appendix F:

Key Implementation Deadlines



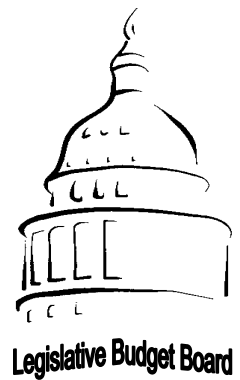
- By the enactment of the NCLB Act (January 8, 2002)
 - Any new paraprofessionals hired with Title I funds must meet new standards of quality.
- By the beginning of the 2002-03 school year:
 - Any new teachers hired with Title I funds must be highly qualified.
 - States report progress toward ensuring all teachers are highly qualified.
 - Teacher Qualification Disclosure State Annual Report Card
 - Professional qualifications of teachers
 - Percentage of teachers with emergency or provisional credentials
 - Percentage of classes in a state not taught by highly qualified teachers

Key Implementation Deadlines (continued)



- By the beginning of the 2002-03 school year:
 - State must develop steps to ensure that disadvantaged and minority children are not taught at higher rates than other children by inexperienced, uncertified, or out-of-field teachers.
 - Districts must notify parents of children in Title I schools that they may request information about the professional qualifications of teachers.
 - Title I Schools must notify parents of children who have taught for four or more weeks, by a teacher who is not highly qualified.
- By the end of the 2005-06 school year:
 - All teachers in core academic subjects must be highly qualified.
 - All paraprofessionals working in Title I programs must meet requirements to be highly qualified.

Appendix G: Highly Qualified Teacher and Paraprofessional Compliance



- After two consecutive years of failing to make progress toward meeting the measurable objectives:
 - Districts will have to develop an improvement plan.
 - TEA will have to provide technical assistance.

- After third year of failing to make progress toward meeting the measurable objectives:
 - TEA and school district must agree on how funds are used.
 - Districts must implement actions planned in conjunction with TEA.
 - Districts can not use federal funds to hire paraprofessionals.

- If a state fails to meet any of the teacher qualification disclosure requirements, the U.S. Secretary of Education may withhold funds for state administration.