



## A Special Report to the Appropriations Committees

---

No. 7

2/24/95

# CANDIDATES FOR RESCISSION IN THE FY 1995 EDUCATION BUDGET

Allyson Tucker  
Manager, Center for Educational Law and Policy<sup>1</sup>

We are here today to determine ways to cut the 1995 education budget. Let me say at the outset that, despite rhetoric to the contrary, only a very small percentage of the over \$31 billion the federal government spends on education ever actually makes it into America's classrooms. Most of the Department of Education's budget and programs go to fund technical assistance, clearinghouses, information, and specific programs that educators in our states and communities neither need nor want. I spend a good amount of my time working with educators in these states and communities. When asked what the federal government and the U.S. Congress can do to improve their schools, they overwhelmingly reply, "Leave us alone!"

Federal funding for education has tripled in constant dollars from 1965 to the present. Student performance, by contrast, has declined over the same period. Clearly, additional federal spending on education is not the answer. Yet, the Clinton Administration, in its 1995 budget, sought \$26.1 billion in discretionary budget authority, a \$1.7 billion increase over last year. Similarly, the Administration sought \$5.6 billion for mandatory programs, an increase of \$1.1 billion over the \$4.5 billion spent in 1994. They sought a total increase in budget authority from \$28.8 billion to \$31.7 billion, an increase of \$2.8 billion or 9.9 percent.

The appropriation for the Department of Education has more than doubled in the last fourteen years from around \$15 billion to over \$31 billion. From 1981-1992, the amount the U.S. Congress appropriated for the Department of Education was actually greater than the amounts that Presidents Reagan and Bush requested in their budgets every single year. Since President Clinton has taken office, the President's request for the Department of Education has exceeded the appropriation. It is also interesting to note that the amount spent by the Department of Education for post-secondary education (programs that include student loans, Pell Grants, research grants, etc.) was greater than the amount spent on elementary and secondary education from 1981-1990. This was because the original role of the federal government in education was to ensure access to post-secondary education and to fund research programs. The Clinton Administration has reversed this historical breakdown and now spends more on elementary and

---

<sup>1</sup> Substantial portions of this were delivered in testimony before Labor, Health and Human Services, and Education Subcommittee on Appropriations, U. S. House of Representatives, on January 17, 1995.

secondary education than on post-secondary education. This is unfortunate since a greater percentage of federal spending on post-secondary education actually helps individual students gain access to education. By contrast, most of the federal money spent on elementary and secondary education goes to fund the education bureaucracies and comes with burdensome mandates to the state and local education agencies. Students benefit only from a very small percentage of federal government spending on elementary and secondary education.

The goal of the 104th Congress, both in rescissions for the 1995 budget and in authorizations for future years, must be to evaluate each and every one of the over 240 Department of Education categorical programs (up from 140 programs in 1980) and determine whether these programs actually improve the education of our children. The Congress also must consolidate effective programs, eliminate ineffective programs, and stop funding programs that benefit bureaucracies. To meet these ends, Congress should make the following specific reforms:

- ① **End Several Programs.** The Clinton Administration proposed cutting 34 categorical programs from the Department of Education. The 103rd Congress cut only 13 of the programs. The 104th Congress should start by rescinding funding for the remaining programs, including: the Ellender Fellowships (Close-Up Foundation), Education for Native Hawaiians, Foreign Language Assistance, Consumer and Homemaking Education, State Student Incentive Grants, the Dwight D. Eisenhower Leadership Program, Cooperative Education, Assistance to Guam, College Housing and Academic Facilities Loan Program, Public Library Construction, Library Literacy Programs, Library Education and Training, Library Research and Demonstrations, Foreign Periodicals Program, Impact Aid 3(b) Payments, Educational Partnerships Program, Immigrant Education, Dropout Prevention Demonstrations, Vocational Education Community Based Organizations, and Civics Education.
- ② **Change Recently Enacted Programs.** There were four major education programs either created or reauthorized in 1993 and 1994. All of these programs, including *Goals 2000: Educate America Act*, reauthorization of federal elementary and secondary programs in the *Improving America's Schools Act*, the *Federal Direct Student Loan* program, and the *National Service Trust Act of 1993* should be revisited.

#### ✓ **Goals 2000: Educate America Act**

President Clinton proposed spending \$700 million in 1995 for Goals 2000, an increase of \$595 million over the 1994 level. He called for \$1 billion a year for this program, to continue indefinitely, beginning in fiscal year 1996. Congress appropriated \$403.4 million, up 298.4 percent from the \$105 million appropriated in 1994. The Clinton Administration claims that states must distribute 85 percent of their Goals 2000 grants to local educational agencies which must then use the money to "create and implement content, performance, and opportunity-to-learn standards in academic areas, improve professional development and licensure, and improve curricula and teaching practices in individual schools." Goals 2000 funds go to three new educational bureaucracies: the National Education Goals Panel, the National Education Standards and Improvement Council (NESIC), and a National Skills Standards Board. None of these activities, despite rhetoric to the contrary, will improve local schools. Many of these activities are merely new mandates put on the states and localities. This ineffective program will become much larger, more bureaucratic, and more expensive unless it is downsized and eventually eliminated through the appropriations process.

#### ✓ **Reauthorization of the Elementary and Secondary Schools Act**

There are many areas in which funding can be cut and rescinded in this expansive program. President Clinton requested \$10.281 billion in his 1995 budget, and Congress appropriated \$9.94 billion, a \$475 million increase from 1994. Much of this money goes to fund bureaucracies and should be cut, including: the Eisenhower Professional Development Program, Arts in Education, Eisenhower Professional Development Federal Activities, Women's Educational Equity Fund for Improvement of Education, Indian Elementary and Secondary Education, and the Ready to Learn Act, among oth-

ers. Congress should also alter the expansive Title I program, perhaps giving the money directly to poor parents in the form of educational vouchers that they can then use at the school of their choice.

### ✓ **The Federal Direct Student Loan Program**

This act has done nothing to reduce the complexity of administering student loans, eliminate unnecessary costs, and provide better service to students and schools. Despite rhetoric to the contrary, the Department of Education has hired 600 new employees to administer the direct loan programs and anticipates hiring 20,000 contract employees when the phase-in of the program is completed. Congress should cap this program, which has gone from being an “experimental” program when passed to a “transitional” program. All new funding for this program should be rescinded.

### ✓ **The National Service Trust Act of 1993**

This act created a new bureaucracy, the Corporation for National and Community Service, and a new entitlement for middle-class students. In 1995, Congress appropriated \$575 million for National Service activities, included in eight programs. This is an increase of \$205 million from the 1994 appropriation. These numbers do not include the \$791.8 million appropriated in 1995 for the five programs operating under the Corporation for National and Community Service. This amount is an increase of \$216.4 million from the \$575.4 million appropriated in 1994. These funds should either be eliminated through rescission or merged into means-tested work study and Pell Grant programs.

- ③ **Eliminate Institutional Aid.** There are currently seven programs, totaling \$229.7 million, that aid specific institutions. Congress increased the authorization for these institutions by \$16.7 million in 1995. These programs should be eliminated. Similarly, Congress currently appropriates \$193 million to Howard University for the endowment and research programs. No other university in this country receives such a high level of federal support. The appropriations for Howard should be rescinded and eliminated, and the university should rely on private sector support as do all other major private universities.



It is impossible, given the time constraints, to go into all of the other programs that should be merged, eliminated, or rescinded. However, the 104th Congress should consider merging the many higher education grant and campus-based programs into one grant, one loan, and one work study program. It should reevaluate many of the programs falling under the category of “Educational Research and Improvement” since many of these programs do little to help educate children. It should privatize the student loan collection program; revisit, eliminate, and consolidate many Chapter 2 block grant programs; and review and cut many of the categorical programs. The appropriations committees will ultimately make many of the decisions on which programs to eliminate. This subcommittee has the power actually to improve American public education by eliminating many of the programs containing the mandates and regulations that have strangled innovation for the past 15 years.