



Executive Memorandum

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HOW CONGRESS CAN ASSURE TITLE I DOLLARS BENEFIT POOR STUDENTS

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One of the many programs created during President Lyndon B. Johnson's War on Poverty is Title I, the cornerstone of the Elementary and Secondary Education Act (ESEA) of 1965. The aim of Title I, which is due to be reauthorized by Congress this fall, was to narrow the gap in academic achievement between low-income students and their higher-income peers by providing supplemental funding to poor school districts. Nevertheless, the gap in academic achievement levels remains wide despite spending more than \$120 billion on Title I since its inception. On the 1998 National Assessment of Educational Progress (NAEP) reading test, poor students trailed their more affluent counterparts by 20 percentage points.

Congress currently is considering a major reform of ESEA in the form of legislation already introduced by the Chairman of the House Education Committee, called the Academic Achievement for All Act (H.R. 2300/S. 1266), also known as "Straight As." This measure would give states the choice of accepting greater flexibility in using federal money—provided they develop a plan to boost the academic achievement of their poor students. Two recent and innovative proposals by Senator Judd Gregg (R-NH), however, could help reform Title I in all states, not just those agreeing to enter a so-called Straight As contract with the federal government. Under the Gregg options, Title I money would be retargeted to benefit poor students instead of school systems, as is the case today, or by

offering these students options beyond their failing public schools.

A LACK OF PROVEN EFFECTIVENESS

Over the last 34 years, Congress increased the funding of Title I despite a lack of studies demonstrating its effectiveness. The research cited most often involves two federally funded longitudinal studies supervised by the U.S. Department of Education entitled "Sustaining Effects" and "Prospects." In January 1996, Wayne Riddle, an education finance specialist at the Congressional Research Service, issued a report for Congress on the inconclusive findings of the two longitudinal studies as well as five other major national Title I studies. Although the methodologies and results of the studies varied considerably, Riddle found in all cases that "Title I participants tend to increase their achievement levels at the same rate as nondisadvantaged pupils, so 'gaps' in achievement do not significantly change."

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LAST REAUTHORIZATION

Realizing that the Title I program needed repair, Congress used the 1994 ESEA reauthorization to leverage reform in the states. The “standards-based” reforms of 1994 require states to develop and align three objectives by the beginning of the 2000–2001 school year: (1) challenging curriculum standards for learning, (2) a statewide assessment of knowledge under these standards, and (3) rigorous performance standards for all students and schools.

The Department of Education is studying the impact of these reforms but will not issue a report until 2001—after Congress has reauthorized the program. The interim report of the Department’s “Longitudinal Evaluation of School Change and Performance in Title I Schools,” released June 1999, offered no conclusive insights into the new reforms’ effectiveness. Meanwhile, the Citizens’ Commission on Civil Rights—a bipartisan panel of civil rights advocates—alleged in a recent report that the Department of Education has failed to interpret and enforce the 1994 changes to Title I correctly.

BETTER STEPS TO TAKE

- 1. Give money to students, not school systems.** Title I provides aid to school systems, not students. Local education agencies tend to concentrate most of their Title I dollars on the most needy schools. Thus, four million low-income students go unserved simply because they do not go to these schools. In fact, current law explicitly prohibits Title I funds from following needy students to the school of their choice. One way to make sure Title I serves the needs of poor students would be to offer states their share of funding but ask that they attach the funding to low-income students. This option, which Diane Ravitch of the Brookings Institution calls a “portable entitlement,” would allow Title I funding to move with needy students should they change schools or receive services from a private provider—presuming the state constitution allows such portability. A proposal by Senator Judd Gregg would shift the focus of

Title I from a program aimed at schools to one aimed at students. It would allow states interested in portability to experiment with this option in exchange for additional funding to assure all poor students in the state receive services.

- 2. Offer Title I exit grants to students trapped in chronically failing Title I schools.** Under current law, a state can reconstitute a failing Title I school after it fails to meet state performance standards for two consecutive years. According to Professor Stanley Pogrow at the University of Arizona, approximately one-fifth of all schools receiving Title I funds are recognized as needing improvement, but there are insufficient penalties to motivate them to improve. For example, of the 11,000 schools identified for program improvement by the Department of Education in 1996, over 5,500 were in the program for at least two years, nearly a thousand were in for at least four years, and over a hundred had been involved since 1988. Moreover, in the 1996–1997 school year, 6,905 Title I schools were identified for school improvement. A second proposal offered by Senator Gregg would allow students trapped in failing Title I schools to redeem their share of Title I dollars at a school or provider of their choice if states fail to reform the failing Title I schools after four consecutive years.

CONCLUSION

Title I has failed to accomplish its core mission: to close the achievement gap between rich and poor students. Congress should seriously consider Senator Gregg’s proposals to attach Title I benefits to poor students or, at the very least, allow students trapped in failing schools to redeem their share of Title I funds at the school or provider of their choice. In addition, Congress should make sure that every dollar spent on Title I is focused on individual poor children, not individual schools.

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