Issue: Vocational Education Within State Formula

Background: Senate bill preserves current law formula: 70% of allocation based on Title I, 20% on count of disabled or IDEA eligible children; 10% school age population. House bill leaves formula up to the state to devise a formula based on poverty and population.

In staff meetings, House first proposed a 50% of Title I eligible children and 50% school age population alternative. Senate staff rejected that offer. House staff counter offered 70% Title I eligible children and 30% population. Senate staff countered with 80% Title I eligible children and 20% population, but withdrew offer and reverted to current law formula when House staff would not budge on 70-30 offer.

Talking Points: I understand that Chairman Goodling believes that the current law formula should be simplified and that poverty factor should be based not on the Title I formula but instead on a count of Title I eligible children. I believe we should be willing to accommodate his concerns.

I am also of the mind that we should be willing to drop that portion of the formula that accounts disabled children, which is currently 20% of the formula. However, I believe this should be divided between the poverty count and the population count, which would produce an 80% Title I eligible children and 20% school age population formula.

I do not believe that the entire disabled children count should go into population. There is some need-based targeting in that count, and it should be reflected in an increase in the percentage allocated to a count of Title I eligible children, and should not go entirely into the count of school age children.

I believe that a formula compromise of 80% on Title I eligible children and 20% on school age population would produce a much more simplified formula and one that would be a very reasonable and justifiable compromise between the provisions contained in each bill.
Vocational Education Formula

1. The Senate bill preserves current law: 70% based on Title I; 20% based on count of IDEA eligible children; and 10% on school age population.

2. The House bill provides that the formula should be a mix of poverty and population, but leaves determination up to the State.

3. House has pending a proposed alternative of 70% based on count of Title I eligible children and 30% based on school age population.

4. While the Senate would preserve all of Title I in the formula, we understand the concerns of Chairman Goodling and are willing to accommodate him by basing the Title I count solely on the number of Title I eligible children, and not on the entire Title I formula.

4. Unfortunately, the compromise put forth by the House staff shifts all of the IDEA count of eligible children into population, even though the IDEA count does reflect some need.

5. A more equitable compromise would be to split the IDEA count between the count of Title I eligible children and the count of school age population. This would produce a formula in which 80% of the funds would flow on the basis of a count of Title I eligible children and 20% on school age population. I would propose and 80/20 split as a compromise I hope we can all agree upon.
Vocational Education Formula

Corrections Education

1. Current law provides a 1% setaside for Corrections Education in Vocational Education, and a 10% setaside for Corrections Education in Adult Education. Both of these setasides have been removed in each bill.

2. The Senate bill requires the State to allocate funds for Corrections Education, but leaves the amount of funding up to the State.

3. The Senate bill provides that any allocation for Corrections Education should come from the postsecondary allocation of funds, but we understand there is concern on the House side with this provision.

4. The staff has proposed that the allocation for Corrections Education be determined when the State decides how much money will be allocated to secondary and how much will be allocated to postsecondary vocational education activities. Thus, it would come out of the entire vocational education allocation, and not just postsecondary education.

5. Most important, the compromise advanced by the Senate staff leaves to the determination of the State the amount of money to be allocated to Corrections Education.

6. This is a good compromise, and one which I hope the House will accept.
VOCATIONAL EDUCATION WITHIN-STATE FORMULA

It is essential that limited Federal funds flow to the school districts and communities that have the greatest need for assistance -- those that have concentrations of low-income and other needy students.

If the bill does not include specific within-State formulas, political pressures in the States are likely to result in wide dispersal of the funds, with the neediest areas not receiving sufficient funding to really improve their programs and provide the comprehensive services their students need. Therefore:

- The bill should require that States allocate 80 percent of their funding for secondary-level vocational education on the basis of ESEA Title I shares, or a similar measure of student poverty. The remaining 20 percent can be distributed on the basis of overall enrollments or population.

- Funding for postsecondary programs should be distributed on the basis of colleges' enrollment of Pell Grant recipients and recipients of BIA assistance.

- Because those formulas may not work best in every State, the bill should permit States to receive waivers in order to use alternative formulas, if those formulas will do a better job at targeting funds to areas with the highest concentrations of low-income residents.