



FACT SHEET

EDUCATION & THE WORKFORCE COMMITTEE

The State and Local Funding Flexibility Act: A Critical Piece of Education Reform

Why have Republicans introduced the State and Local Funding Flexibility Act?

- Under the Elementary and Secondary Education Act (ESEA), federal funding for K-12 education is funneled into separate funding streams each with their own requirements and restrictions. This can severely limit states' and school districts' ability to direct federal funds toward local education priorities and initiatives that meet the needs of their students.
- For example, if a local elementary school wants to create a new literacy program targeted toward all 3rd graders, it can only do so if it meets certain federal requirements. If a local school district wants to redirect additional federal funding into initiatives to help struggling English Language Learners or disadvantaged students, it cannot do so under current law.
- The State and Local Funding Flexibility Act will provide states and school districts with additional flexibility to target federal dollars to the programs and initiatives that best meet the unique needs of students.

How will the State and Local Funding Flexibility Act encourage education reform?

- States and school districts are instituting local reforms to public education, reducing the need for a large federal role in the nation's classroom. Reform initiatives that address issues around teacher quality, accountability, and parental options are moving through state legislatures with great success.
- States with education reform agendas include: Alabama, Arizona, Colorado, Florida, Georgia, Idaho, Illinois, Indiana, Minnesota, New Jersey, Oklahoma, Pennsylvania, Tennessee, Texas, Utah, and Wisconsin.
- These states have embraced state-led accountability efforts, signaling to Congress that they understand a quality education is critical to prepare today's students to compete in tomorrow's workforce.
- Unlike the administration's approach of more unsustainable spending and top-down regulations, the State and Local Funding Flexibility Act empowers state and local officials to take the lead on important education reform efforts.

How will the State and Local Funding Flexibility Act help all students?

- Funding flexibility will help states and school districts meet the requirements of the Title I (Aid for the Disadvantaged) and Title III (English Language Acquisition) programs, which holds all schools accountable for student performance.
 - The Secretary of Education has said that more than 80 percent of schools will fail to make Adequate Yearly Progress (AYP) this year. Academic achievement

gaps persist. A mere 57 percent of students with disabilities, 56 percent of African American students, and 52 percent of Hispanic students graduate from high school.

- Only 46 percent of subgrantees receiving English Language Acquisition funds are meeting all of their annual student measurements.
- Under the State and Local Funding Flexibility Act, states and school districts could use other federal ESEA funds to support those activities that support students of special populations, including low-income students, English Language Learners (ELLs), and migrant students.

How much flexibility does the State and Local Funding Flexibility Act provide?

- Current law includes a number of limited 'funding flexibility' options that states and school districts can use to increase the academic achievement of all of their students. Because of poor implementation by the U.S. Department of Education and additional paperwork burdens imposed on entities that take advantage of the flexibility, very few states and school districts have been given true funding flexibility.
- The State and Local Funding Flexibility Act will allow all 50 states and the almost 14,000 school districts to use funds received under federal formula grants on any activity authorized under ESEA. Under the bill, states and school districts will be able to use more than \$20 billion in federal funds on their own state and local priorities.

Who supports the State and Local Funding Flexibility Act?

- Across the nation, school superintendents strongly support funding flexibility and support the State and Local Funding Flexibility Act.
- The American Association of School Administrators (AASA) said that the bill's "trust in the skill, knowledge, and motivation of state and local educators holds true to the original purpose of ESEA - helping to level the educational playing field for low-income and minority students - while providing educators the local control and flexibility they need to help those students most in need achieve the skills and knowledge they need in the 21st century."
- The following is a select list of praise for the bill from superintendents across the country:
 - The legislation will "provid[e] local control to address the areas with greatest need."
 - "Flexibility would allow Title I staff to work with students who are not formally identified for Title I but are in need of support or intervention."
 - "Funding flexibility will allow for customization at the local level as opposed to the current federal approach of a one-size-fits-all model, which in reality fits no one school or student."
 - The State and Local Funding Flexibility Act "holds states and school districts accountable for results, but gives greater flexibility in using federal resources to reach those results."