



# Federal Regulations Should Drive More Money to Poor Schools

Testimony Before the U.S. House of Representatives  
Subcommittee on Early Childhood, Elementary,  
and Secondary Education

Hearing on Supplanting the Law and Local  
Education Authority Through Regulatory Fiat

Scott Sargrad  
Managing Director, K-12 Education Policy  
Center for American Progress  
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Thank you to Chairman Rokita, Ranking Member Fudge, and members of the U.S. House of Representatives Subcommittee on Early Childhood, Elementary, and Secondary Education for inviting me to speak on the important topic of the supplement-not-supplant provision within the Every Student Succeeds Act, or ESSA. My name is Scott Sargrad, and I am the Managing Director of K-12 Education Policy at the Center for American Progress.

Title I of the Elementary and Secondary Education Act was designed to provide additional resources to the most disadvantaged students in poor schools. But within years, it was clear that poor kids did not receive their fair share of education dollars.<sup>1</sup>

To address this inequity, Congress approved the first supplement-not-supplant provision in 1970 to ensure that districts did not use federal money to replace state and local dollars. On September 6 of this year, the U.S. Department of Education issued draft regulations on ESSA's updated supplement-not-supplant provision and in so doing, took another important step forward toward fulfilling the law's intent.

Before I dive into the research and policy, I want to step back and note that we are not considering dry academic questions. Even as we sit here today, too many low-income students across the country sit in crumbling schools without access to the experienced and effective teachers, rigorous courses, and wraparound services that they need to have a chance at success. In fact, just two weeks ago, on an unseasonably hot September day, every school in Baltimore closed early because so many of them had no air conditioning, depriving these students of valuable learning time.<sup>2</sup>

Money matters in education. And it matters particularly for students from low-income families. This is common sense—and it’s supported by a growing body of research. For low-income students, a 10 percent increase in per-student spending increased adult wages by almost 10 percent, according to a 2015 study.<sup>3</sup> Similarly, a 2016 study found that greater state spending on low-income students dramatically improved student learning in reading and math.<sup>4</sup>

Students in poorer schools, however, continue to receive less than their richer peers. In approximately 1,500 school districts across the country, there are about 5,700 Title I—or poor—schools that receive, on average, \$440,000 less per year than wealthier schools.<sup>5</sup> That’s a lot of money. With \$440,000, a school could hire eight new guidance counselors, or give a \$10,000 bonus to more than 40 teachers.<sup>6</sup>

This inequity also happens across districts. While there is significant variation across states, high-poverty districts spend an average of 15 percent less per student than low-poverty districts. In Pennsylvania, poorer school districts spend 33 percent less per pupil than wealthier districts in the state.<sup>7</sup>

As a result of these policies, children of color often suffer the most. Indeed, compared with high-poverty schools and schools with high percentages of students of color, wealthier schools and schools with lower percentages of students of color offer more rigorous core programs. Wealthier schools are twice as likely to offer a full range of math and science courses, offer three times as many Advanced Placement classes, and are twice as likely to offer dual enrollment opportunities.<sup>8</sup>

But these are not just facts and figures. Every day, real students walk into schools with so few resources that every one of us would say they are unacceptable for our own child. In one Detroit elementary and middle school, black mold covers the gym floor, and the ceilings are full of exposed wires, wrote Lakia Wilson, a counselor at Detroit’s Spain Elementary-Middle School, earlier this year.<sup>9</sup> And in the William Penn School District in Pennsylvania, students such as Jameria Miller “race to class to get the best blankets” to stay warm within the school’s uninsulated metal walls.<sup>10</sup>

From the passage of the original Elementary and Secondary Education Act in 1965, the federal government’s role has been to protect historically disadvantaged students and ensure that they have the same opportunities as their more advantaged peers. Beginning with the original supplement-not-supplant provision in 1970, the federal government has had a responsibility to enforce this requirement of the law. Today’s ESSA is no different.

Districts have historically shown compliance with the supplement-not-supplant requirement by showing that every service purchased with Title I funds was supplemental and would not have been provided absent the Title I funds. This means that districts often limited their spending to programs that they could easily show were supplemental, such as pulling kids out of class for additional instruction, but that were not necessarily the most impactful.<sup>11</sup>

The new law stops the short-sighted practice of making districts justify every purchase. Now districts must demonstrate that their methods of funding make sure that poor schools get their fair share.

Recognizing that historical funding inequities are a problem without an easy solution, the U.S. Department of Education provides in its proposed regulation multiple options for districts to demonstrate compliance, including allowing states to develop their own compliance test. The proposal also includes additional flexibility for districts with schools serving a lot of students with disabilities or English learners, those with small schools, and those with a single school. What's more, the proposed regulations give districts additional time to comply, so they can phase in any changes needed to ensure that poor schools are getting their fair share.

While this change will require extra efforts, it does not mean districts must use completely new strategies to distribute school funding. Under the proposal, more than 90 percent of districts would already be in compliance with supplement not supplant.<sup>12</sup> However, we cannot rest on our laurels. Those remaining 10 percent or so of districts must do the hard work of showing that they are fairly supporting poor schools with state and local funds before the addition of federal dollars.

But it's worth it. Funding inequities for vulnerable children remain, and we must close this gap because money matters, especially to students from low-income families. The department's regulations, which provide flexible options and time to comply, give districts the opportunity to be thoughtful about investing as part of a broader plan to support students who are most in need.

*Scott Sargrad is the Managing Director of the K-12 Education Policy team at the Center for American Progress.*

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## Endnotes

- 1 National Association for the Advancement of Colored People and Washington Research Project, "Is It Helping Poor Children? Title I of ESEA. A Report" (1969), available at <http://files.eric.ed.gov/fulltext/ED036600.pdf>.
- 2 Saliqa Khan, "Baltimore County schools with no AC closed Thursday," WBALTV.com, September 8, 2016, available at <http://www.wbal.com/education/baltimore-county-schools-with-no-ac-closed-thursday/4156598>.
- 3 C. Kirabo Jackson, Rucker C. Johnson, and Claudia Persico, "The Effects of School Spending on Educational and Economic Outcomes: Evidence from School Finance Reforms," *The Quarterly Journal of Economics* 131 (1) (2016): 157–218, available at <http://qje.oxfordjournals.org/content/131/1/157>.
- 4 Julien Lafortune, Jesse Rothstein, and Diane Whitmore Schazebach, "School Finance Reform and the Distribution of Student Achievement," Working Paper 22011 (National Bureau of Economic Research, 2016), available at <http://www.nber.org/papers/w22011>.
- 5 U.S. Department of Education, "FACT SHEET: Supplement-not-Supplant under Title I of the Every Student Succeeds Act," Press release, August 31, 2016, available at <http://www.ed.gov/news/press-releases/fact-sheet-supplement-not-supplant-under-title-i-every-student-succeeds-act>.
- 6 According to the Bureau of Labor Statistics, the median salary of a guidance counselor is \$53,610. See Bureau of Labor Statistics, "Occupational Outlook Handbook: School and Career Counselors," available at <http://www.bls.gov/ooh/community-and-social-service/school-and-career-counselors.htm> (last accessed September 2016).
- 7 Emma Brown, "In 23 states, richer school districts get more local funding than poorer districts," *The Washington Post*, March 12, 2015, available at <https://www.washingtonpost.com/news/local/wp/2015/03/12/in-23-states-richer-school-districts-get-more-local-funding-than-poorer-districts/>.
- 8 U.S. Department of Education, "FACT SHEET: Supplement-not-Supplant under Title I of the Every Student Succeeds Act."
- 9 Lakeria Wilson, "Detroit teacher: 'How can you teach or learn in conditions like these?'" PBS NewsHour, January 14, 2016, available at <http://www.pbs.org/newshour/updates/detroit-teacher-how-can-you-teach-or-learn-in-conditions-like-these/>.
- 10 Kevin McCorry, "The cold realities of education in a poor Pennsylvania school district," NewsWorks, April 24, 2016, available at <http://www.newsworks.org/index.php/local/education/93015-the-cold-realities-of-education-in-a-poor-pennsylvania-school-district>.
- 11 Melissa Junge and Sheara Krvaric, "How the Supplement-Not-Supplant Requirement Can Work against the Policy Goals of Title I: A Case for Using Title I, Part A, Education Funds More Effectively and Efficiently" (Washington: American Enterprise Institute for Public Policy Research, 2012), available at <http://eric.ed.gov/?id=ED532769>; Richard L. Allington, *Policy Constraints and Effective Compensatory Reading Instruction: A Review Paper* (U.S. Department of Education, 1984), available at educational resources information center.
- 12 U.S. Department of Education, "FACT SHEET: Supplement-not-Supplant under Title I of the Every Student Succeeds Act."