

Blueprint to Establish State Control of Education

Eliminating all Federal Education Dollars

JUNE 2023

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INTRODUCTION



United States Parents Involved in Education (USPIE) is pleased to present the Blueprint to Establish State Control of Education by Eliminating all Federal Education Dollars. USPIE believes this bold idea is necessary to restore state sovereignty for education policy and practice, and believes it is achievable. The Blueprint explains detailed steps to help governors and state legislators develop and execute a concrete plan. Evidence as to how educational outcomes can improve as a result is included.

The U.S. Department of Education (USED) exists because they seek to control state education systems through bribery and blackmail using federal dollars. USED mandates Common Core, Marxist critical theories, the sexualization of children, and anti-American propaganda by threatening to withhold federal funding for noncompliance. None of these serve the best interests of children.

USPIE recently released the documentary "<u>Truth & Lies in American Education</u>," which chronicles the atrocities forced on government schools through federal regulations and funding. It is the mission of USPIE to restore parental and local control of education by eradicating all federal intrusion.

The time is right. Serious conversations are taking place throughout the country about the legitimate and effective role of the federal government in education. But who has a viable plan to dismantle the behemoth?

USPIE previously published the "Blueprint to Close USED." The full report can be viewed on the USPIE.org website. However, until a Congress takes back control of the federal government, the closing of USED is unlikely. So USPIE offers this new proposal. USPIE looks forward to working with state governors and legislators to restore state sovereignty in education and return control to parents and local communities.



EXECUTIVE SUMMARY



Despite dramatic increases in federal intervention and funding in the government education system since the 1960s, education achievement has not improved. The most widely used measure of school achievement are scores from National Assessment of Educational Progress (NAEP), which shows no significant change. Efforts to improve educational outcomes for low-income children have also been expensive and unproductive. Even the federal college grant and loan programs have been ineffective for students. The evidence is inarguable, the federal government's intervention in education has been and continues to be a dismal failure.

Although this experiment with federal control of local government schools has gone on for half a century, it has failed. America needs to stop treating children like guinea pigs in a social engineering laboratory and start embracing children as human beings to be supported and inspired to achieve their own dreams and aspirations.

The key to eliminating federal intervention in government schools is to eliminate federal funding. States can eliminate federal funding in four steps:

- 1. Analyze education funds by source: federal, state, and local.
- 2. Conduct a Cost of Compliance Study for federal funds.
- **3.** Identify state programs to replace USED programs. Engage parents and local communities in the transition.
- 4. Shift education revenue responsibilities entirely back to the state.

This document expands on USPIE's assertions and proposals. USPIE looks forward to engaging governors, state legislators, influential think tanks, and citizen activists to further develop the proposal. Join USPIE in the effort to eliminate the onerous, ineffective USED and return control of children's education to states, parents and local communities, one state at a time.

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DESPITE DRAMATIC FEDERAL SPENDING INCREASES OVER TIME, REGULATIONS INCREASED BUT EDUCATIONAL OUTCOMES HAVE NOT IMPROVED



Federal control over K-12 education has risen dramatically in recent decades. Elementary and secondary discretionary spending under the USED and its predecessor agencies rose from:

- ▶ \$4.5 billion in 1965 to \$1.6 trillion in 2022
- ▶ Second behind Healthcare but ahead of Defense spending

The USED funds more than 100 subsidy programs, and each comes with regulations that extend federal control into state and local education. The USED employs nearly 4,400 department employees, whose combined base salaries amount to more than \$479 million. According to the 2017 budget, annual contractual services, supplies, equipment, land, structures, and other USED overhead expenses cost taxpayers roughly \$93 billion.

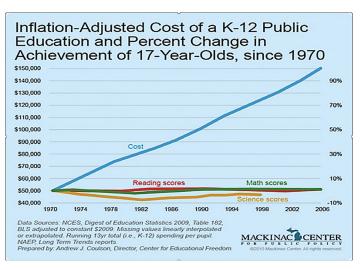
Additionally, the Department of Health and Human Services spending for Head Start is over \$9 billion and the US Department of Agriculture Free and Reduced Lunch budget exceeds \$22 billion.

Despite this massive spending, the federal government accounts for less than 10% of the United States' K-12 education spending. While happy to receive federal funds, states have chafed under the mandates imposed by Washington:

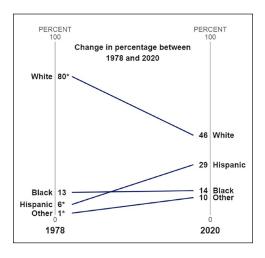
- No Child Left Behind (NCLB) provoked a backlash because of its costly rules for academic standards, student testing, unrealistic proficiency demands, and other items.
- ▶ The Race to the Top program passed in 2009 provided grant money to states that agreed to additional federal micromanagement of their schools, including adopting national curriculum standards.
- ▶ The Obama administration imposed further requirements on states that desired waivers from parts of NCLB, such as waivers for NCLB's unrealistic requirement that all students be "proficient" in math and reading by 2014.
- ▶ The Every Student Succeeds Act (ESSA) of 2017 expanded implementation of the national Common Core standards and assessments.

The accumulation of federal rules has suppressed innovation, diversity, and competition in state education systems, while generating vast paper-pushing bureaucracies. In fact, state education officials report that most of their staff (in some cases significant majorities) simply oversee and manage federal education programs.

Despite large increases in federal intervention since the 1960s, combined with large increases in funding by all levels of government, K-12 educational achievement has seen little improvement. The most widely used measures of school achievement are scores from the National Assessment of Educational Progress (NAEP), including its Long-Term Trend assessment, which has used largely consistent tests back to the early 1970s.



Other measures show similarly poor achievement by the end of K-12 schooling, or at least a lack of improvement. For example, a recent statistical analysis of SAT scores that adjusted for participation rates and student demographics found, just like NAEP, there has been essentially no improvement, despite the large spending increases. 2022 found significant drops in both math and reading scores.



Percentage distribution of 13-year-old students in NAEP longterm trend mathematics, by race/ethnicity: 1978 and 2020

Policy makers seem always on the lookout for the latest "thing" or the newest innovation that would set the world of education on fire. Yet, in retrospect, it is hard to think of a single program that the USED funded that made a positive, lasting contribution to the advancement of education. Take for example, the efforts to achieve "equity" in educational outcomes. NAEP long-term trend of 13-year-olds by race shows how this effort failed the majority of America's children.

Federal funding comes with regulations. The Every Student Succeeds Act Title 1 regulation summary is 5 pages clarifying the requirements for standards and assessments states must implement in exchange for the federal funding. The actual regulation document is 8-font, three columns per page, and 173 pages long!

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As George Roche, then president of Hillsdale College said in his 1989 Essay, The Price of Independence:

"In March of 1988, the United States Congress overrode a presidential veto of a piece of legislation by a vote of 365 to 157, thus precipitating the greatest single extension of federal power in this century. No doubt, most Americans are unaware that such an event took place. Few have ever heard of the Civil Rights Restoration Act, but sooner or later they will, because it will dramatically affect their lives in the years to come.

"What the passage of this act betrays is how far we have strayed from our understanding of Constitutional government and our historical commitment to individual liberty. What does it do? It guarantees that where government money goes, government control surely follows. And as storytellers were once wont to say, thereby hangs a tale."

The legal precedent was set by Hillsdale College's failed lawsuit:

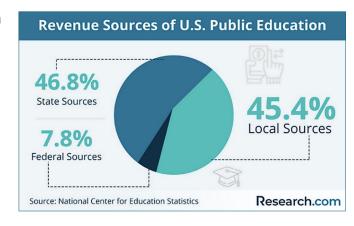
"The justices went on to uphold HEW's definition of a recipient institution. A single Pell grant or National Direct Student Loan spent on our campus, for example, makes Hillsdale College a recipient institution exposed to unlimited federal interference."

For example, states discovered they had to adopt Common Core Standards in exchange for federal funds. In an article for Crisis Magazine in 2013, Peg Luksik explains the link between federal funds and the standards:

"Common Core is a state-led initiative." This sentence is among the most repeated pitch lines of those selling Common Core. It is an effective sales pitch, but is it true? The answer lies in the maze of money and regulation tying federal and state departments of education together."

Here is a list of Federal funding for education as a point of reference:

Government Education Spending Statistics



FEDERAL SOURCES

- ▶ Title I of the Elementary and Secondary Education Act (ESEA) provides financial assistance to agencies and schools with a high percentage of pupils coming from low-income families.
- Child Nutrition "includes grants received under Child Nutrition Act programs (e.g. National School Lunch Act, School Breakfast Program, Special Milk Program, etc.)" (NCES, 2019).
- Individuals with Disabilities Education Act (IDEA) provides funding for free education of students ages 3-21 with disabilities.
- Impact Aid Program provides funding for federal property payments, basic support payments, children with disabilities payments, and construction grants.
- ▶ Bilingual Education Act provides funding for the needs of limited English-speaking ability (LESA) students.
- Indian education
- ▶ Math, science, and professional development include "grants received under Title II, Parts A and B of the Elementary-Secondary Education Act (ESEA) as reauthorized by the Every Student Succeeds Act (ESSA)" (NCES, 2019).
- ▶ Safe and drug-free schools is "distributed under Title IV of ESEA as reauthorized by ESSA" (NCES, 2019).
- ▶ Vocational and technical schools include "grants authorized by the Carl D. Perkins Career and Technical Improvement Act, as well as other grants directly related to vocational education" (NCES, 2019).
- ▶ Other and unclassified, including "revenues from 21st Century Community Learning Center programs, federal grants for adult education, and other federal revenues through the state. Also includes federal revenues received through the state that were unreported within any of the program-specific categories in this table" (NCES, 2019).

CONCLUSION

The rest of this document offers a Blueprint for individual states to extricate themselves from the federal education straight-jacket and return to the model of education defined by our Founding Fathers, with parents and local communities in control.

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The key to eliminating federal intervention in government schools is to eliminate federal funding. States can eliminate federal funding in four steps:

- 1. Analyze education funds by source: federal, state, and local.
- 2. Conduct a Cost of Compliance Study for federal funds.
- **3.** Identify state programs to replace USED programs. Engage parents and local communities in the.
- **4.** Shift education revenue responsibilities entirely back to the state.

TEP 1 Analyze Education Funds by Source: Federal, State and Local Levals.

Total education spending in the United States is the second highest funding category, behind health care but ahead of national defense. Some argue this level of spending has corrupted the system, which is why educational outcomes are so dismal, but the majority of funding comes from the states and local communities, not the federal government.

The point of this step is to help policymakers determine what percent of education spending comes from the federal government. Before COVID, on average, most states were receiving about 11% of their education budget from the federal government. COVID funds are set to expire, so USPIE suggests this money is less relevant to the analysis.

State education spending can be analyzed using the website USGovernmentSpending.com. The site has all government spending which can be analyzed in many ways. Here is an example of data specifying education spending at all levels for Tennessee from 2012 through 2022. The data sources are well documented. In some cases, the data is actual (a), estimated (e), and sometimes guesstimated (g) due to delays in data reporting.

Federal money for education is a government transfer (xfer), which means the money is sent to the states or local districts for them to spend. The calculation of the percent of education spending sourced from the federal level, is calculated by dividing the Education Gov. Xfer column by the Education Total column. In this case, 2012 is \$1.77/\$13.84 which is 13%. In 2022, is \$1.52/\$16.74 or 9%.

Arkansas Education Spending in \$ Billion Nominal | Fiscal Years 2012 to 2022

Year	GDP - A	R	AR Population Million	Educat Gov. X		Educat Stat		Educat Loca		Education Total	% Fed
2012	108.492	а	2.953	-0.96	а	3.22	а	5.08	а	13.84	13%
2013	113.227	а	2.96	-0.84	а	3.19	а	5.01	а	13.66	12%
2014	116.139	а	2.969	-0.82	а	3.2	а	4.99	a	14.08	12%
2015	117.787	а	2.98	-0.81	а	3.12	а	5.12	a	14.11	11%
2016	119.152	а	2.992	-0.8	а	3.27	а	5.18	а	14.05	10%
2017	122.467	а	3.004	-0.83	а	3.18	а	5.23	а	14.66	10%
2018	127.536	а	3.012	-0.84	а	3.41	а	5.38	a	15.07	10%
2019	131.578	а	3.021	-0.86	e	3.41	а	5.61	а	15.65	10%
2020	133.969	а	3.014	-0.87	е	3.38	а	5.6	a	15.94	10%
2021	148.676	а	3.028	-0.89	e	3.58	а	5.6	е	15.91	10%
2022	165.221	a	3.046	-0.88	g	3.39	g	5.72	g	16.74	9%

Tennessee Education Spending in \$ Billion Nominal | Fiscal Years 2012 to 2022

Year	GDP - TI	N	TN Population Million	Educat Gov. X		Educa Stat		Educat Loca		Education Total	% Fed
2012	286.342	а	6.456	-1.77	а	4.71	а	9.13	a	8.3	12%
2013	295.863	а	6.497	-1.61	а	4.67	a	8.99	а	8.2	10%
2014	306.153	а	6.545	-1.63	a	4.8	a	9.28	а	8.19	10%
2015	325.294	а	6.595	-1.52	a	4.86	а	9.24	а	8.24	10%
2016	336.414	а	6.651	-1.43	a	4.7	a	9.35	а	8.46	9%
2017	349.838	а	6.715	-1.48	a	4.85	a	9.8	а	8.41	10%
2018	361.382	а	6.778	-1.48	a	4.98	a	10.09	а	8.78	10%
2019	376.916	а	6.83	-1.5	е	5.15	a	10.51	а	9.02	10%
2020	369.574	a	6.926	-1.52	е	5.43	а	10.51	а	8.98	10%
2021	418.294	a	6.968	-1.55	е	5.41	а	10.5	e	9.17	10%
2022	449.015	g	7.051	-1.52	g	5.97	g	10.77	g	9.11	10%

STEP 2 Conduct A Cost of Compliance Study for Federal Funds.

In order to maximize the effectiveness of every dollar spent on government education, it is important to assess overhead demands in terms of cost placed on the state, district, and local schools by accepting federal funds and implementing federal education programs. Once known, a determination can be made if the cost of compliance, including federally imposed control and regulation, exceeds the value of the funding. Relying on State-funded education rather than federal funds, offers the opportunity to streamline compliance and return control of education policy to the state and local level.

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A Cost of Compliance Study would detail federal funding streams for programs and grants in elementary and secondary education in total, and breaking out the cost of overhead, compliance and reporting required by the federal government. Costs imposed at all levels should be included: the State Department of Education, school districts, and local schools. Methods, assumptions, limitations, and procedures used in the study should be published as part of the final report.

The compliance study should focus on the following:

- ▶ Title I, Title II and Title IV as related to the Elementary and Secondary Education Act of 1965 (ESEA), and as reauthorized by the No Child Left Behind Act of 2001 (NCLB) and Every Student Succeeds Act of 2017 (ESSA)
- ▶ Individuals with Disabilities Education Act of 2004 (IDEA)
- ▶ Head Start and Early Childhood Education
- ▶ USDA's Free and Reduced Lunch Program
- ▶ Teacher quality improvement programs

The analysis should include, but not be limited by the following considerations:

- ► Grant and program application costs
- Grant and program application policy requirements imposed on the state included as information as well as fiscal impact associated.
- ▶ Expenditures annualized and projected for the life of the grant and program and 10 years after the grant or program expires, or federal funding is discontinued.
- An analysis of applicable federal regulations as well as interviews with at least 10 local school districts of varying size and 2 schools per district.
- ▶ Both allowable and unallowable expenditures incurred from the programs and grants included in the cost of compliance.
- ▶ Expenditures incurred requiring the use of state or local funds.
- "Maintenance of Effort" and "Supplement, Not Supplant" requirements included as a category of "minimum state and local spending required to receive grant".

Once complete, this report should be made public to begin the conversation about reducing and eliminating federal education funds and the true fiscal impact.



After completing the Cost of Compliance Study, an assessment can be made as to which programs could be eliminated because they are ineffective, inefficient, or unnecessary. Other programs could be replaced by comparable programs within the state. As each program is evaluated, a multi-step, multi-year transition plan could be established.

Eliminating federal funding opens opportunities for creative solutions based on the values, vision, and objectives of local communities, returning control to parents and community members where it belongs. Ideas for program level discussions should follow.

Every Student Succeeds Act (ESSA) Title 1

The ESSA regulation <u>summary</u> is 5 pages clarifying the requirements for standards and assessments states must implement in exchange for the federal funding. The actual <u>regulation document</u> is 8-font, three columns per and page 173 pages! Ever since the federal government began meddling in education policy, student achievement has declined. Eliminating these regulations, compliance staff and reporting will reduce costs to the state while opening up freedom to design and operate education programs that certainly would not be worse and may inspire dramatic improvements.

Individuals with Disabilities Act (IDEA)

IDEA is intended to provide additional funds to educate children with disabilities, approximately 14% of the student population. As with ESSA, IDEA comes with many regulations, some of which may infringe on a school's ability to properly educate all children.

Possibilities Education Act (IDEA). Mainstreaming requires that, "to the maximum extent appropriate, children with disabilities . . . [be] educated with children who are not disabled." Further, under IDEA, "special classes, separate schooling, or other removal of children with disabilities from the regular educational environment occurs only when the nature or severity of the disability is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily."

Many sources document that these policies have pros and cons, suggesting the decision should be based on the particulars of the child and the school. Again, bringing the flexibility into the state to define education programs for disabled students would facilitate decisions based on real needs of children and schools, not Washington DC bureaucrats, however well-meaning.

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Head Start

Most states have early childhood programs that could be leveraged to replace Head Start. In 2013, the Mackinac Center for Public Policy in Michigan **reported**:

"Something of a consensus has evolved around small, tightly controlled educational environments for low-income, low-skilled students, with the studies on Ypsilanti's Perry Preschool and North Carolina's Abecedarian Intervention Project often cited. At the same time, even researchers on the left, who favor more spending on preschool in general, acknowledge that increasing <u>funding for children of middle-class and wealthier families is ineffective.</u>"

States could design their own model of early childhood programming that is evidence based, achieves beneficial education outcomes and is a better use of funds than Head Start and universal pre-K models.

Free and Reduced Lunch Program

Some states have very low participation rates in the federal free and reduced lunch programs, including Wyoming and Nebraska. Many participating in the federal free lunch program complain about the quality of the food and the complexity of the student application process.

Here is a link to the **state by state participation** in the federal free lunch program.

In 2016, the Oakland Unified School District in California partnered with the Center for Good Food Purchasing to source foods from local farms and companies that provide nutritious, minimally processed ingredients. The district found that sourcing higher quality, more nutritious, more locally sourced food and preparing more meals onsite created healthy meals students enjoy, while the school operates within a budget.

Warren Township in New Jersey opted out of the federal lunch program, engaging parent volunteers to help by running their own accessible meals program, connecting with local restaurants and food organizations to cook and deliver lunches to the school. Parent-supported programs were an easier and cheaper option than accommodating the federal program.

Shift Education Revenue Responsibilities Entirely Back to the State.

The resulting state education funding requirement can now be calculated as follows.

Offset to federal funds = current federal funding – cost of compliance – eliminated programs

Total Funds needed = current state funding + offset to federal funds

One approach to generate required revenue could be to establish a state tax called "offset to federal funds" calculated to collect the amount needed. Since most of the federal tax is collected from income taxes, a replacement tax using the same model might be most easily understood by the public.

To keep from sending the federal government the money they previously took and gave back, taxpayers would need a mechanism to deduct this offset from their individual federal taxes. Since SALT tax deductions were eliminated in the last major tax bill, a special arrangement would have to be made. However, there is benefit to the federal government in this arrangement as the savings from program improvements would be shared with them, since only the replacement funding is deducted.

CONCLUSION

The transition away from federal education funds would likely take a few years and will definitely require significant political effort. But as this report explains, the benefits to the state and its families could be significant, both in reduced wasted spending and better educational outcomes for children.



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MISSION STATEMENT



USPIE is a nonprofit, nationwide coalition that seeks to return education to its proper local roots and restore parental authority over their children's education by helping parents and local communities to escape federal and other national influences.

It is the vision of USPIE to create a culture where parents, empowered with the authority to choose what and how their children learn, are the undisputed primary educators of their children; where local schools operate in support of families, and where education is unencumbered by federal mandates.

Considering the offensive policies issued from the U.S. Department of Education (USED), states are beginning to consider whether they should continue accepting federal education funding.

For instance, in 2023, the Biden administration bullied local school districts into either supporting an immoral agenda or losing federal dollars for school lunches. In 2016, President Barack Obama wrote every local school district, overriding local and parental authority, telling them to "let transgender students use bathrooms matching their gender identity" or else risk lawsuits or federal funding.

Americans have had enough of these federal control freaks.

USED exists so federal elites have the muscle to control children. USED mandates Common Core, Marxist critical theories, the sexualization of children, anti-American propaganda, and threatens to withhold federal funding for noncompliance.

National test scores scream at us that children desperately need reading, writing and math, not more federally mandated critical race theory and overt sexualization.

The time is right for states to wean themselves off the federal dole and USPIE has developed the Blueprint to guide them in this process.