As the year’s end approached, House and Senate leaders were on track to reach agreement on increasing the strict spending caps established by the Budget Control Act of 2011. Raising the caps would give appropriators significantly more flexibility, smooth the way for a fiscal 2018 omnibus bill, and make it easier to protect the Department of Education’s budget from the deep cuts proposed by the Trump administration and adopted by the House. Higher caps would provide a legislative and political path for investments sought in Title II and the 21st Century Community Learning Centers program, while also more robustly funding the Student Success and Academic Enrichment block grant (Title IV). Congress had until December 22 to complete the fiscal 2018 process or pass another temporary funding bill. Republican leaders have been under significant pressure from their own members to complete the process, so a new temporary funding bill likely would not extend too far into 2018.

Tax bills wending through the House and the Senate differ in important ways. The House bill eliminates the $250 tax deduction available to teachers who use their own money to purchase school supplies, while the Senate bill doubles it to $500. The House bill eliminates the higher education loans interest deduction, though both propose to limit or eliminate the state and local tax deduction. The House bill also removes tax incentives for using local bonds for major infrastructure projects, including school construction. The bills also permit families to use 529 college savings plan funding, up to $10,000, for paying K-12 costs associated with private schools. While Republican leaders hoped to send a consensus tax bill to the White House in December, disagreements within the caucus about the bill and other pressing issues such as appropriations and the debt ceiling suggest additional time may be required for the conference to complete its work. A protracted process may ultimately jeopardize the bill, as constituencies associated with major provisions slated for elimination or reduction coalesce in opposition.

Reviewing state plans for implementing the Every Student Succeeds Act (ESSA) remains a top priority for the U.S. Department of Education, which by mid-December had approved 16 of the plans submitted in April. Before the end of 2017, ED was expected to begin giving feedback to the 34 states that submitted plans in September. Then the district ESSA implementation process will begin in earnest.

The ESSA Innovative Assessment Pilot, which lets up to seven states explore new testing strategies in select districts for federal accountability purposes, has reappeared on the policy horizon. A notice inviting applications was expected at the end of 2017 or early 2018, which would enable ED to conduct peer review as early as spring 2018.

By mid-November, the Senate had confirmed only Betsy DeVos as education secretary and Peter Oppenheim as assistant secretary for legislation and congressional affairs out of 16 ED positions requiring confirmation. But the administration had begun to make progress on nominations: Carlos Muñiz to serve as general counsel, Jim Blew as assistant secretary for the Office of Planning, Evaluation and Policy Analysis, Mick Zais as deputy secretary, and others. They have had confirmation hearings and await full Senate consideration.

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Foreign Language Enrollment (percent of K-12 population)