



Robin Hood in Reverse

How ESEA Title I, Part A, 'Portability' Takes from the Poor and Gives to the Rest

By Max Marchitello and Robert Hanna February 4, 2015

In the first days of the 114th Congress, Sen. Lamar Alexander (R-TN)—chairman of the Senate Committee on Health, Education, Labor, and Pensions—placed K-12 education at the top of his agenda. His goal is to quickly reauthorize the Elementary and Secondary Education Act, or ESEA—currently known as the No Child Left Behind Act—and, ultimately, to dismantle what he calls the “national school board.”¹ Chairman Alexander’s bill—the Every Child Ready for College or Career Act²—largely cuts back on the federal role in public education and weakens state accountability to raise achievement and close achievement gaps.

Most egregiously, the bill proposed by Chairman Alexander eliminates the targeting of federal dollars to schools and districts with the highest concentrations of low-income students. This approach ignores the long-known fact that socioeconomic isolation has a devastating impact on student learning and achievement outcomes.³ Simply put, the challenges that low-income students face are significantly greater when the majority of their classmates are also low income.⁴

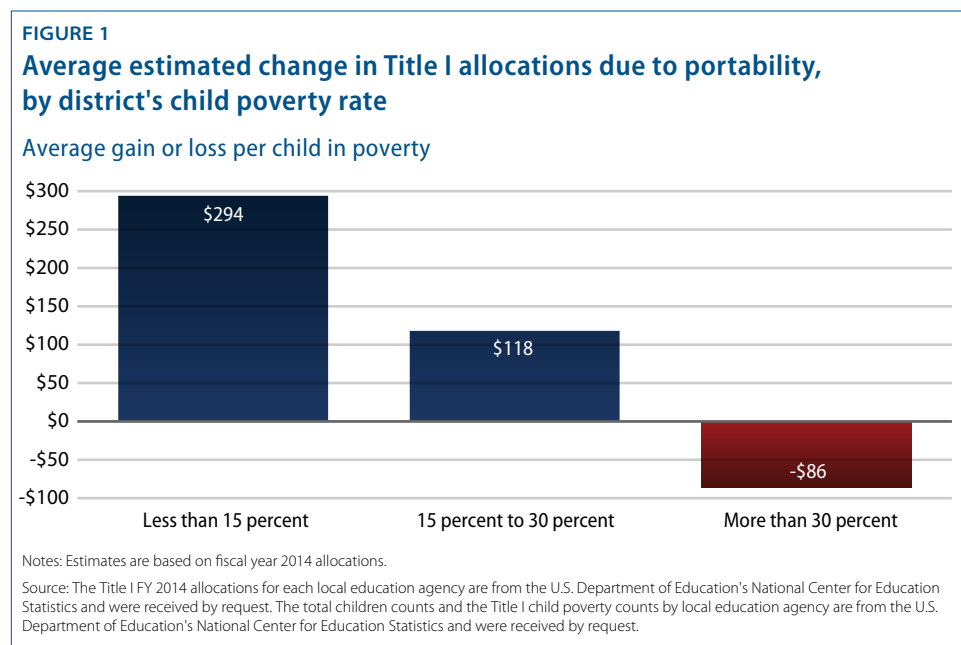
To mitigate the negative impact of concentrated poverty, the federal government allocates billions of dollars to states per year through Title I, Part A, of ESEA based on the number and concentration of students living in poverty. The funds are then distributed to districts following the same process. The goal of Title I is to provide low-income students attending schools with high concentrations of other economically disadvantaged students with additional financial support.

Chairman Alexander’s bill takes a different and harmful tack and actually dismantles the targeting of Title I. His proposal provides states with the option of opting out of the current system of Title I funding for schools. Instead of following the current formulas, states would distribute to all districts the same amount per student simply based on the total number of children in low-income families. This approach is sometimes referred to as “portability.”⁵ It is unclear how many states would exercise this option. However, considering wealthier school districts receive less federal support but often have greater political capital, it is possible that some states may feel considerable pressure to use portability to distribute their Title I, Part A, funds.

Using the fiscal year 2014 allocations for school districts, the Center for American Progress analyzed the impact that portability would have had on students last year. We compared how much districts would have received under portability with how much they actually received under current policy. In our analysis, we made the following key findings:

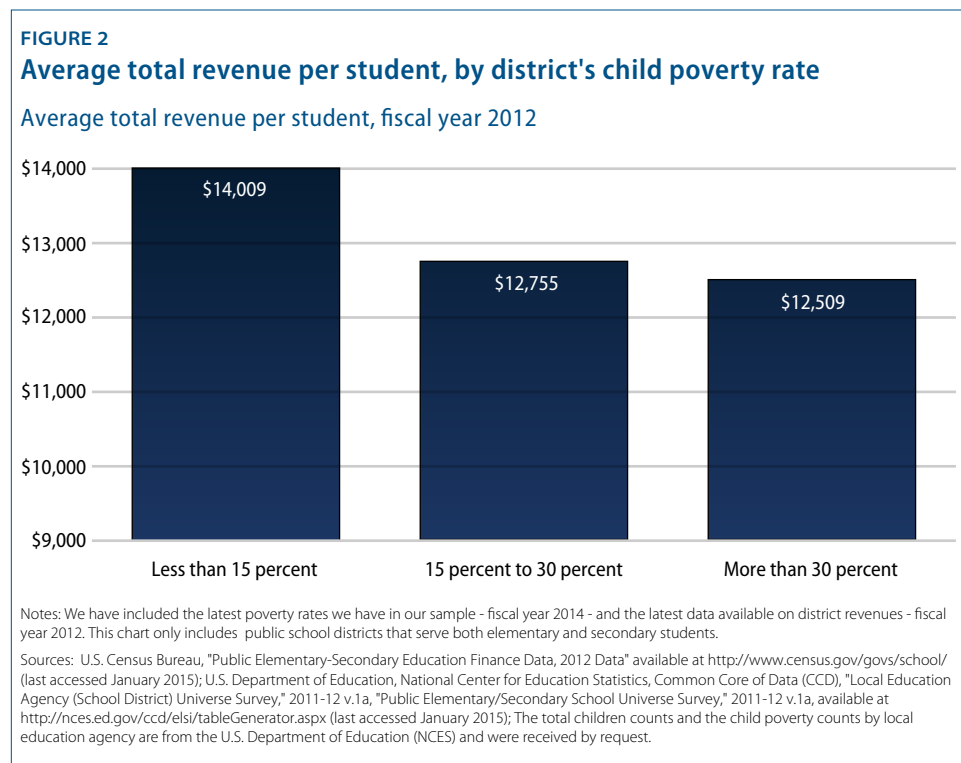
1. Portability actually drives resources away from high-poverty districts and into more affluent ones.
2. Nationally, districts with high concentrations of poverty could lose an average of around \$85 per student.
3. On average, the most affluent districts could gain more than \$290 per student.

If all states opted into this new system, school districts with a poverty rate of more than 30 percent would lose money, while districts with a poverty rate of under 15 percent would see dramatic increases in funding. This is illustrated in Figure 1 below. In total, the poorest school districts would lose more than \$675 million, while the lowest-poverty districts would gain more than \$440 million.



The nation's largest districts could stand to lose tens of millions of dollars. For example, if Illinois opted for portable Title I dollars, Chicago could lose more than \$64 million, while the much more affluent suburb of Naperville could see its allocations increase by more than \$380,000. In California, students in the Los Angeles Unified School District could lose out on more than \$75 million, while the Beverly Hills Unified School District could gain \$140,000 dollars. These patterns are similar for every state. Portability would redistribute vast amounts of resources away from the students with the most needs to provide marginal new funding to other, more-well-off students. See the Appendix for figures that provide breakdowns for each state and for large urban districts.

The most affluent districts already receive substantially more resources than their less affluent peers, and they could afford to spend more on the most disadvantaged students. These low-poverty districts collect more than \$1,500 more per student than high-poverty districts. See Figure 2 below.



On the other hand, it has been long recognized that low-income students need additional resources and support to have an equal opportunity for success in college and career. Moreover, low-income students attending school with high concentrations of similarly economically disadvantaged students need even more support to overcome the burdens and barriers erected by poverty. Title I is how the federal government attempts to meet its obligation to these students. This targeted approach has helped ensure that low-income students do in fact receive more resources and support and that their right to a high-quality education is protected. More targeting, not less, is the appropriate policy response to our country's growing student poverty.⁶

Under portability, each low-income student is provided with the same allocation of federal funds. As a result, the marginal increases in funding that current law provides to students as a district's poverty level increases have been eliminated. Simply put, this funding system ignores the fact that concentrated poverty has a significant negative impact on students beyond their own economic circumstances. Ultimately, portability weakens the ability of Title I dollars to combat the adverse effects of poverty.

CAP is not the first organization to point out that portability hurts the most-disadvantaged students. Recently, the American Association of School Administrators argued that portability eliminates the flexibility that current law affords it to decide on which grades to focus Title I resources. Instead, as a consequence of portability, districts might need to spend Title I money across all grades even if that approach would not be most effective for their students.⁷ The National Coalition for Public Education—which includes 50 organizations, including the Children’s Defense Fund and the National Urban League—has also written that portability would expand the amount of students served through Title I and result in the poorest districts getting less of overall Title I dollars.⁸

The Title I, Part A, funding formulas do need to be improved, but abandoning them altogether fails to serve the students that the law is meant to support. CAP has recently recommended a formula change that removes unfair factors in the current formulas.⁹ Not only does the bill proposed by Chairman Alexander not attend to these issues, but it also actually changes Title I allocation for the worse. In essence, the bill allows states to take from the poor to give to the rest.

We can all agree that draining funds from resource-starved school districts is poor policy. Yet portability betrays our national commitment to protect every student’s right: Regardless of class, race, disability, or country of origin, they have equitable access to a high-quality education. CAP strongly recommends that Congress eliminate the portability requirement from any reauthorization of ESEA.

TABLE A1
Estimated change in Title I allocations to due to portability,
by state and by district’s child poverty rate

Total gain or loss to districts in state, by district child poverty rate

	Total gain or loss to districts in state		
	Less than 15 percent	15 percent to 30 percent	More than 30 percent
Alabama	\$3,029,435	\$4,660,929	-\$7,690,366
Alaska	\$637,809	-\$56,801	-\$581,008
Arizona	\$6,753,724	\$5,749,278	-\$12,500,770
Arkansas	\$1,851,009	\$3,695,224	-\$5,546,233
California	\$44,523,045	\$43,089,049	-\$87,589,510
Colorado	\$8,413,174	-\$7,611,341	-\$801,833
Connecticut	\$10,333,038	-\$3,080,529	-\$7,252,510
Delaware	\$1,099,775	-\$225,029	
District of Columbia*			
Florida	\$2,332,942	-\$12,674,701	\$10,341,766
Georgia	\$5,202,715	\$4,726,309	-\$9,929,026
Hawaii*			
Idaho	\$606,488	-\$4,152	-\$602,335
Illinois	\$36,205,043	\$34,464,074	-\$70,669,112

Total gain or loss to districts in state			
	Less than 15 percent	15 percent to 30 percent	More than 30 percent
Indiana	\$11,783,898	\$4,583,145	-\$16,367,044
Iowa	\$2,968,835	-\$2,921,452	-\$47,382
Kansas	\$4,837,454	-\$5,081,800	\$244,347
Kentucky	\$3,257,811	\$2,167,642	-\$5,425,452
Louisiana	-\$80,304	\$6,809,941	-\$6,729,635
Maine	\$1,322,330	-\$1,162,595	-\$159,735
Maryland	\$5,536,990	-\$5,723,639	
Massachusetts	\$16,002,887	-\$6,574,399	-\$9,428,487
Michigan	\$29,020,644	\$29,345,177	-\$58,365,818
Minnesota	\$12,309,628	-\$11,467,671	-\$841,956
Mississippi	\$604,574	\$7,042,111	-\$7,646,683
Missouri	\$8,099,104	\$6,775,513	-\$14,874,617
Montana	\$764,286	\$1,588,735	-\$2,353,021
Nebraska	\$2,716,410	-\$2,565,008	-\$151,401
Nevada	\$1,183,941	-\$1,183,937	
New Hampshire	\$3,223,896	-\$3,027,973	-\$195,922
New Jersey	\$27,110,106	\$2,924,606	-\$30,034,712
New Mexico	\$1,281,418	\$3,567,753	-\$4,849,170
New York	\$53,033,420	\$48,052,283	-\$101,085,713
North Carolina	-\$1,153,488	\$236,394	\$917,092
North Dakota	\$2,812,061	-\$942,940	-\$1,869,121
Ohio	\$27,373,183	\$17,940,761	-\$45,313,944
Oklahoma	\$3,338,899	\$2,410,993	-\$5,749,892
Oregon	-\$638,408	\$1,009,070	-\$370,661
Pennsylvania	\$38,617,435	\$21,443,244	-\$60,060,683
Rhode Island	\$2,297,834	\$1,362,657	-\$3,660,491
South Carolina	\$319,141	\$2,338,460	-\$2,657,601
South Dakota	\$3,130,598	\$697,329	-\$3,827,926
Tennessee	\$1,555,410	-\$382,769	-\$1,172,640
Texas	\$32,607,216	\$41,549,137	-\$74,156,362
Utah	\$1,324,195	-\$1,324,195	
Vermont	\$1,373,917	-\$627,835	-\$746,082
Virginia	\$1,483,932	\$3,520,658	-\$5,004,591
Washington	\$8,507,206	-\$4,869,925	-\$3,637,281
West Virginia	\$791,705	\$2,837	-\$794,541
Wisconsin	\$12,745,261	\$3,692,037	-\$16,437,297
Wyoming	\$387,274	-\$387,274	

Note: *These entities—the District of Columbia and Hawaii—comprise only one district, so there would be no difference under portability. Table cells area suppressed if there are fewer than two districts included.

Source: The Title I FY 2014 allocations for each local education agency are from the U.S. Department of Education's National Center for Education Statistics and were received by request. The total children counts and the Title I child poverty counts by local education agency are from the U.S. Department of Education's National Center for Education Statistics and were received by request.

TABLE A2

Average estimated change in Title I allocations to due to portability, by state and by district's poverty rate

Average gain or loss to districts in state, by district child poverty rate

	Less than 15 percent	15 percent to 30 percent	More than 30 percent
Alabama	\$301	\$64	-\$114
Alaska	\$451	-\$132	-\$8
Arizona	\$126	\$10	-\$180
Arkansas	\$270	\$18	-\$131
California	\$334	\$57	-\$67
Colorado	-\$43	\$104	-\$193
Connecticut	\$372	\$7	-\$276
Delaware	\$354	-\$50	
District of Columbia*			
Florida	\$279	\$121	\$163
Georgia	\$242	\$128	-\$34
Hawaii*			
Idaho	-\$192	-\$10	-\$77
Illinois	\$419	\$288	-\$103
Indiana	\$249	\$93	-\$200
Iowa	\$77	-\$30	-\$158
Kansas	\$188	\$112	\$77
Kentucky	\$299	\$144	-\$105
Louisiana	\$69	\$144	-\$28
Maine	\$329	\$257	\$860
Maryland	\$235	\$215	
Massachusetts	\$289	\$156	-\$187
Michigan	\$401	\$270	\$41
Minnesota	\$175	-\$1	-\$331
Mississippi	\$161	\$125	-\$152
Missouri	\$229	\$24	-\$111
Montana	\$100	\$252	-\$11
Nebraska	\$221	\$177	-\$103
Nevada	\$421	\$286	
New Hampshire	\$358	-\$246	-\$1,555
New Jersey	\$429	\$140	-\$112
New Mexico	\$78	\$51	-\$145
New York	\$599	\$412	\$264
North Carolina	\$113	\$50	\$34

	Less than 15 percent	15 percent to 30 percent	More than 30 percent
North Dakota	\$284	-\$61	-\$1,572
Ohio	\$326	\$157	-\$113
Oklahoma	\$27	-\$3	-\$108
Oregon	\$60	-\$5	\$87
Pennsylvania	\$415	\$213	-\$145
Rhode Island	\$335	\$226	-\$174
South Carolina	\$90	\$58	-\$133
South Dakota	\$243	\$84	-\$824
Tennessee	\$152	\$48	-\$86
Texas	\$77	\$108	-\$60
Utah	\$79	\$102	
Vermont	\$352	\$331	-\$845
Virginia	\$244	\$77	-\$52
Washington	\$64	-\$145	-\$220
West Virginia	\$320	\$50	-\$217
Wisconsin	\$241	\$33	-\$67
Wyoming	\$53	-\$514	

Notes: Estimates are based on fiscal year 2014 allocations. Table cells are suppressed if there are fewer than two districts included. Hawaii and the District of Columbia each only comprise one district.

Sources: The Title I FY 2014 allocations for each local education agency are from the U.S. Department of Education's National Center for Education Statistics and were received by request. The total children counts and the Title I child poverty counts by local education agency are from the U.S. Department of Education's National Center for Education Statistics and were received by request.

TABLE A3
Estimated change in Title I allocations due to portability

25 Largest School Districts

	State	Number of total children in district	Estimated percent of children in families living in poverty	Estimated gain or loss per child living in poverty due to portability	Estimated total gain or loss due to portability
New York City Department Of Education	New York	1,229,623	30%	-\$312	-\$116,138,876
Los Angeles Unified School District	California	740,867	31%	-\$322	-\$75,085,853
Chicago Public School District 299	Illinois	420,432	33%	-\$468	-\$64,649,990
Miami-Dade County Public Schools	Florida	390,870	26%	-\$216	-\$21,995,914
Clark County School District	Kentucky	356,617	22%	-\$17	-\$1,289,219
Broward County Public Schools	Florida	293,180	18%	-\$152	-\$7,906,859
Houston Independent School District	Texas	237,925	34%	-\$227	-\$18,141,581
The School District of Philadelphia	Pennsylvania	236,225	34%	-\$674	-\$53,416,626
Hillsborough County Public Schools	Florida	219,108	22%	-\$135	-\$6,644,495
Hawaii Department of Education*	Hawaii	216,516	14%	\$0	\$0
Orange County Public Schools	Florida	203,372	25%	-\$81	-\$4,058,809
School District of Palm Beach County	Florida	199,881	21%	\$19	\$808,552
Fairfax County Public Schools	Virginia	195,333	7%	-\$343	-\$4,675,053
Dallas Independent School District	Texas	190,136	37%	-\$154	-\$10,901,530
Wake County Public School System	North Carolina	181,251	13%	-\$101	-\$2,415,028
Gwinnett County Public Schools	Georgia	178,365	18%	-\$46	-\$1,482,925
Charlotte-Mecklenburg Schools	North Carolina	174,930	20%	-\$152	-\$5,204,430
Montgomery County Public Schools	Maryland	173,396	9%	\$225	\$3,426,838
Duval County School District	Florida	143,628	22%	-\$121	-\$3,841,884
Prince George's County Public Schools	Maryland	142,561	13%	-\$167	-\$3,060,138
San Diego Unified School District	California	139,328	23%	-\$140	-\$4,487,402
Detroit Public Schools	Michigan	128,676	51%	-\$770	-\$50,768,575
Baltimore County Public Schools	Maryland	128,226	12%	-\$190	-\$2,807,335
Jefferson County Schools	Kentucky	123,168	20%	-\$399	-\$9,994,867
Cobb County School District	Georgia	121,444	16%	-\$115	-\$2,249,076

Notes: The child counts include all children ages 5 to 17 living in families in poverty. Hawaii comprises only one district, so there would be no difference under portability.

Sources: The Title I FY2014 allocations for each local education agency are from the U.S. Department of Education (NCES) and were received by request; The total child counts and the child poverty counts are from the U.S. Department of Education (NCES) and were received by request; The child counts include all children aged 5-17 living in families in poverty.

Max Marchitello is a Policy Analyst at the Center for American Progress. Robert Hanna is a Senior Policy Analyst at the Center.

Endnotes

- 1 U.S. Senate Committee on Health, Education, Labor, and Pensions, "Alexander: It's Time to Fix No Child Left Behind," Press release, January 25, 2015, available at <http://www.help.senate.gov/newsroom/press/release/?id=83559685-8e10-4610-8adc-d07ce395c026&groups=Chair>.
- 2 *Every Child Ready for College or Career Act of 2015*, forthcoming, 114 Cong., 1 sess., available at <http://www.help.senate.gov/imo/media/AEG15033.pdf>.
- 3 James Coleman and others, "Equality of Educational Opportunity" (Washington: Government Printing Office, 1966).
- 4 Gary Orfield, John Kucsera, and Genevieve Siegel-Hawley, "E Pluribus... Separation: Deepening Double Segregation for More Students" (Los Angeles: The Civil Rights Project, 2012), available at <http://civilrightsproject.ucla.edu/research/k-12-education/integration-and-diversity/mlk-national/e-pluribus...separation-deepening-double-segregation-for-more-students>.
- 5 Letter from National Coalition for Public Education to Sen. Lamar Alexander and Sen. Patty Murray, "We oppose the portability provision in the discussion draft of the 'Every Child Ready for College and Career Act of 2015,'" January 26, 2015, available at <http://blogs.edweek.org/edweek/campaign-k-12/2015-01-26%20NCPE%20Alexander%20Portability%20Sign-on%20-%20final.pdf>.
- 6 Robert Hanna, "ESEA Reauthorization: How ESEA Title I, Part A, Funding Can Better Serve the Most Disadvantaged Students" (Washington: Center for American Progress, 2015), available at <https://cdn.americanprogress.org/wp-content/uploads/2015/01/ESEAFunding.pdf>.
- 7 Sasha Pudelski, "Title I Portability: A White Paper: A Primer on How Portability Limits Local Control and Undermines Title I Program Efficiency" (Washington: American Association of School Administrators, 2015), available at http://www.aasa.org/uploadedFiles/Policy_and_Advocacy/files/AASAPortabilityWhitePaperJan2015.pdf.
- 8 Letter from National Coalition for Public Education to Sen. Lamar Alexander and Sen. Patty Murray, "We oppose the portability provision in the discussion draft of the 'Every Child Ready for College and Career Act of 2015'."
- 9 Hanna, "ESEA Reauthorization."