

## ***SIIA Government Affairs Backgrounder***

To: Government Affairs Council

From: Mark Schneiderman, Director of Education Policy

Subject: **Policy Update: Education and Workforce Development**

Date: December 4, 2006

***This memorandum is for background information only.  
It does not reflect an official position of SIIA.***

### **SIIA PRIORITIES:**

SIIA supports a long-term and comprehensive national education and workforce development strategy that will provide the United States with a citizenry ready for the 21st century. All citizens must have the knowledge and skills to succeed in today's highly competitive and information technology driven economy. Education and training through and about technology are vital to this effort. SIIA member companies are partnering with educators at all levels to provide innovative technology-based educational tools, but a successful national strategy requires federal and state government to enhance their investment in this challenge.

SIIA priorities are centered around the following:

- Investment in education technology and its integration into teaching and learning.
- Reform of outdated regulations in favor of 21st Century e-learning policies.
- Support for education technology research and development through government-industry partnership, not government competition with the private sector.
- Targeted education, training and other workforce development policies to meet the economy's, and SIIA members', needs for a skilled high-tech workforce.

SIIA is the only national advocacy organization focused on the specific needs of the education technology industry, especially those providing educational software, digital curriculum and related learning technologies to schools and universities. This provides SIIA with a unique opportunity to inform the policy debate representing companies with a dual interest in the education and training market – as technology providers working to improve teaching and learning; and as high-tech employers seeking high-skilled workers.

### **2006 ACCOMPLISHMENTS (Select Sample)**

- EETT Funding – Led coalition which successfully defeated pending elimination of Enhancing Education Through Technology (EETT) grant program.
- Competitiveness Initiative – Successfully advocated for inclusion of educational technology and e-learning in pending Senate competitiveness legislation.

- National Math Panel – Successfully advocated for U.S. DoED National Math Panel to hold a hearing on educational technology, while SIIA and several SIIA members were invited to testify.
- NCSL Ed Tech Initiative – Leadership role in National Conference of State Legislators’ initiative on educational technologies, including NCSL programs and reports.
- Textbook Adoption Reform – Built further awareness and support for initiative to update state textbook policies to support electronic learning resources, including consideration by NASTA (state administrators) and support from CA state school superintendent.

## **2007 AGENDA**

SIIA expects an active 2007 policy agenda as it continues to be at the forefront of important education-related initiatives impacting the education software and digital content industry. SIIA’s broad and proactive advocacy effort in support of education technology investment and integration will include both continuation of an existing agenda of unfinished business from recent years, as well as several new challenges and opportunities. SIIA’s Education and Workforce Development policy agenda will again serve as the blueprint (See Attachment #1).

SIIA’s top priority will again be leading opposition to the Bush Administration’s proposed elimination of the Enhancing Education Through Technology (EETT) grant program, an important substantive and symbolic issue. SIIA has devoted considerable resources to ensuring continue program funding, including leadership in a coalition of education and industry stakeholder organizations.

Three other top federal funding priorities will be:

- E-Rate – This important program will continue to face several legislative challenges, including Telecom Act reauthorization and the need again for exemption from federal accounting rules that led to a program hiatus in 2004.
- Competitiveness Initiatives – A continued opportunity comes from Bush Administration and Congressional support (and several initiatives) aimed at improving American competitiveness, including through improving science, technology, engineering and math (STEM) education (as well as R&D investment, targeted student aid, and immigration reform).
- NCLB Reauthorization – The top federal education legislative item will be reauthorization of the No Child Left Behind Act, which includes EETT and other programs with significant direct and indirect impact on school technology use. As with the existing law, SIIA will devote considerable resources to helping shape this legislation.

With the education market largely funded through public funding, EETT and other federal and state budgets are critical to SIIA’s education technology policy agenda. The fiscal picture of state governments suggests there may be more opportunity in 2007. SIIA will continue to identify key opportunities such as in the major market states of Texas, Florida and California.

At the state level, SIIA has made strong progress on its State Textbook Adoption Reform for Electronic Learning Resources initiative, including working with states to collect key data that was presented at a national conference of state officials in July. SIIA will continue to target key

states of Texas, Florida and California, as well as work with the National Association of State Textbook Administrators.

Other on-going initiatives by SIIA in 2007 include:

- Ensuring an appropriate Federal R&D role in education technology, including issues around government competition, SBR and WWC
- General advocacy for technology's effectiveness in improving education, including before the USED National Math Panel
- Cost of compliance with government regulations and requirements, including: (1) state content standards; (2) 508 accessibility; (3) Schools Interoperability Framework (SIF); (4) ESL/ELL; and (5) scientifically based research.
- A newer initiative around electronic learning resource interoperability standards as an alternative to multiple, unique state and local technical requirements

As SIIA continues to pursue these and other advocacy efforts, federal and state support for SIIA's education technology and workforce preparation goals is continuing. However, this support is tempered by several major challenges:

- tight federal and state budgets;
- questions about the effectiveness of education technology, especially due to the increased focus on accountability in the new federal K-12 NCLB education law;
- an antiquated and entrenched educational system/process that is slow to adopt to new technology-driven ways of education; and
- isolated cases of abuse (i.e., e-Rate fraud) and failed product implementations.

Finally, evolving technology models and government efforts continue to pose potential challenges to publishers with regard to business models, technology standards and the appropriate government role.

## **ISSUE ANALYSIS:**

### **I. Education Technology Investment**

#### **A. Federal Appropriations -- Enhancing Education Through Technology (EETT, NCLB II-D)**

SIIA continues to provide effective leadership of a coalition effort aimed at defeating President Bush's fiscal year 2007 budget proposed cuts to the \$272 million Enhancing Education Through Technology (NCLB II-D; EETT). EETT is the primary federal technology grant program for K-12 schools and provides critical investment and leadership. SIIA is co-chairing the Mission Critical Campaign, a coalition of education and industry organizations lobbying for EETT funding, as well as other related goals.

EETT was funded at over \$690 million in FY02-04, cut to \$496 million in FY05, and cut again last year to \$272 million. In FY07, the Senate proposes level-funding, while the House proposes zero-funding the program, although there are strong indications that the House will defer to the Senate. Much of the final outcome will depend on the changing political climate, where the new

Democratic majority is more inclined to support this program and overall education funding. House Majority Leader Steny Hoyer, House New-Dem Co-Chair Ron Kind, and Senate HELP Committee Chair Edward Kennedy have all been key supporters.

In the face of a challenging fiscal climate, the lobbying and grassroots advocacy campaign succeeded in convincing key lawmakers that education technology and the EETT program are mission critical for both addressing the goals of the federal No Child Left Behind Act as well as ensuring students have the learning environment and 21st century skills needed in today's global, high tech marketplace. 2006 SIIA and MCC coalition efforts included the following:

- Representatives Biggert (R-IL) and Kind (D-WI) sponsored a bipartisan Dear Colleague letter signed by 52 colleagues to the House Appropriations Committee urging EETT funding
- Senators Snowe (R-ME) and Lieberman (D-CT) sponsored a bipartisan Dear Colleague letter signed by 28 colleagues to the Senate Appropriations Committee urging EETT Funding
- An industry/education coalition letter to Congress was signed by some 30 national education and high-tech organizations and large companies (See Attachment #2)
- Press statements opposing EETT cuts and supporting restored funding, with quotes from leaders of several major education groups including NEA, NSBA and CCSSO
- Petition delivered to Congress signed by 7,000 educators and other stakeholders urging increased funding for EETT
- July 12 Capitol Hill press event at which several Members of Congress, including Lieberman, Kind and McCotter (R-MI) were presented with the national petition and spoke in favor of program funding (See Attachment #3)

SIIA will continue to advocate for EETT funding as Congress completes FY07 appropriations, and SIIA will continue to advocate in 2007 for restored funding in FY08.

## **B. Competitiveness Initiatives**

Partially in response to an industry advocacy campaign, President Bush and several Members of Congress have advanced legislation aimed at supporting America's continued innovation and competitiveness in the face of global competition. The proposals include, to varying degrees, new initiatives in the areas of STEM education (science, technology, engineering and math), R&D investment, and immigration reform. Among the primary champions for these bills has been the Tapping America's Potential coalition that includes SIIA and a dozen other major industry groups.

The primary bill at this point appears to be the National Competitiveness Investment Act (S.3936). It is intended as a consensus bill that includes components from several other bills, including the President's American Competitiveness Initiative, the PACE Act (based on the National Academy of Sciences' "Rising Above the Gathering Storm;" and the National Innovations Act (co-sponsored by Senator Ensign, keynote speaker at SIIA's March Ed Tech DC Fly-In). Each includes provisions to improve STEM education such as that included in the TAP report, while many also look at critical foreign language skills.

SIIA will continue to both support these federal investments as part of its workforce agenda, and will also advocate for the role of educational technologies in meeting science and math education goals. SIIA develop a broad list of recommendations and has been advocating for their inclusion (See Attachment #4). Some e-learning provisions have already been included, while SIIA is working with Senate staff to include others in the pending Senate bill. SIIA had helped organize a Congressional briefing on this issue last December, sponsored by Senators Kennedy and Enzi as well as House STEM Education Caucus co-chair Rep. Vern Ehlers.

Congressional action on these and related initiatives is likely in the next Congress, but will depend ultimately on the availability of federal funding. At SIIA's March Ed Tech DC Fly-In, a panel of key figures in this debate expressed skepticism that significant new funding would be allocated to address this need. The new Democratic majority will likely provide support, but may want to put their own stamp on at in the House based on an agenda introduced by Speaker-elect Pelosi in 2005.

### **C. E-Rate**

Now in its 10<sup>th</sup> year, the E-Rate program has been facing perhaps its most challenging period since its creation as part of the Telecommunications Reform Act of 1996, but its prospects appear to be improved over last year. The e-Rate program provides about \$2.25 billion annually in discounts to schools and libraries off the purchase of telecommunications, Internet access and networking services. The program has contributed significantly to the wiring of the nation's schools. Advocacy efforts from both education and industry stakeholders have so far been successful to ensure the program's continued success, while the new Democratic Majority should serve to strengthen Congressional support.

SIIA and other E-Rate supporters devoted much of their effort in recent years to gain the program's permanent exemption from the Anti-Deficiency Act (ADA). While stakeholders had sought permanent exemption, Congress has passed a series of one-year exemptions. ADA is the internal federal accounting rule that caused the program's temporary suspension in the fall of 2004 when collected revenues exceeded funding obligations to schools and libraries. SIIA and many other stakeholders have worked to increase the number of co-sponsors for bipartisan House (H.R.2533) and Senate bills (S.241). With broader Telecom Act legislation moving slowly, E-Rate supporters are seeking a stand alone ADA exemption bill. Without the legislation, the e-Rate governing agencies would be forced to raise universal service fees on phone bills that may undermine the program's support. Recently though, there have been indications that ADA will be less of a threat. The FCC has recently sent signals both that E-Rate funding is sufficient for now, and that the Administration may support further accounting rules clarifications to exclude E-Rate from the ADA.

Among the reasons permanent exemption was not approved is that some Members of Congress (and perhaps the Bush Administration) sought to use the ADA challenge as leverage to ensure more dramatic changes to an E-Rate program that some view as fraught with waste and abuse, no longer necessary, and/or an inappropriate federal initiative in the first place. Among the proposed changes are a shift to a formula, appropriated program, while also a challenge is overall

funding for the universal service programs in the face of change technologies. Reform to the E-Rate and the broader Universal Service Fund programs is before Congress as part of the broader, stalled Telecommunications Act reauthorization.

The pending Senate bill includes a permanent ADA exemption as well as some appropriate accountability rules. Among these are tougher sanctions on those found in disregard of program rules, as well as new performance provisions by which recipients set and are measured by their own goals for use of program-funded technology and Internet access. The pending House bill includes no E-Rate section, despite Commerce Committee Chairman Joe Barton's (R-TX) statements in opposition to the program. Meanwhile, despite an extensive NPRM in the summer of 2005, perhaps aimed at deflecting criticism of its program management, the Federal Communications Commission has yet to issue any significant changes, including around their proposal to shift the program to more of a formula allocation (rather than a discount off services).

With the e-Rate established as critical to school technology infrastructure and access, and therefore to the market for SIIA member's software and digital content, SIIA is playing a more active role in e-Rate advocacy than in the past. At its 2005 and 2006 Ed Tech DC Fly-Ins, SIIA members were briefed on the issue and met with key Congressional offices on this and other issues. SIIA spoke at a coalition Congressional briefing event in 2006. And SIIA is helping to sponsor a 10<sup>th</sup> Anniversary E-Rate Celebration in February on Capitol Hill.

## **II. No Child Left Behind Act**

The "No Child Left Behind Act of 2001" (NCLB) has been a dominant factor shaping K-12 education and education technology policy. The law is due for reauthorization in 2007. Concern and opposition among state and local officials seems to have tapered off, while understanding of the law seems to be growing.

At SIIA's 2006 Fly-In and School Technology Summit, sessions on NCLB along with meetings with key Congressional offices and Administration staff helped set the stage for development of SIIA's NCLB reauthorization recommendations. While hearings occurred this year, legislative action will occur in 2007, with the schedule and chances of completion largely uncertain in the face of many political factors.

SIIA is developing its own recommendations, participating in the efforts of the National Business Coalition for Excellence in Education (led by Business Roundtable and US Chamber), and leading the efforts of the Mission Critical Campaign and National Coalition for Technology in Education and Training. As in the past, SIIA's goals will include both direct support for education technology such as through continuation (with modifications) of the Enhancing Education Through Technology (EETT) program, as well as indirect support with technology and e-learning provisions included throughout the law.

On the first matter, in light of EETT funding cuts in recent years, there is question about the degree of change needed to gain increased appropriations. Some coalition members are

suggesting a focus on professional development, which could help to improve school technology use and support in the long-term, but could cut spending on technology in the short-term as federal funds are redirected locally from acquisition to training. With regard to indirect support, SIIA is emphasizing the concepts of “individualized/differentiated learning,” and “data-driven decision making,” which both are best achieved through instructional software, computer-based assessment, and more robust data applications.

Meanwhile, the Bush Administration appears to be seeking only marginal change in the law, contending that the program is working. One continued Bush proposal will likely be expansion of the law’s testing and accountability provisions into high school as part of a high school reform initiative, although Congress appears largely opposed. Democrats will likely use their majority status to expand NCLB investments in programs and interventions aimed at helping low-performing schools and students, believing that NCLB has been too focused on testing and accountability without providing support for improvement. In addition to increased funding, this will likely include support for program changes in the areas of teacher training, extended learning opportunities, and technical assistance. The Congressional Republican agenda seems less certain, with support for modifications to accountability and expansion of choice and supplemental services likely at the top of the agenda.

SIIA’s other focus continues to be to help member companies understand the implications of NCLB and proposed changes for the education technology market. SIIA also continues to track regulations and implementation to ensure it meets legislative intent that SIIA successfully helped shape. Recently, after years of advocacy by SIIA and others, the US DoED will start collecting data related to the NCLB provisions around student and teacher technology literacy, which should increase state and local attention on this SIIA priority. To date, these provisions have not been thoroughly implemented or enforced, due largely to the combination of federal indifference and state reluctance.

SIIA will continue outreach efforts with all stakeholders – including policymakers, educators and the press -- outlining the importance of technology and industry to NCLB success. In fact, technology as “mission critical to NCLB” has been a major theme of SIIA’s ed tech funding advocacy campaign.

### **III. Education Technology R&D, Evaluation and Government Competition**

With the goal of integrating technology into teaching and learning at a relatively early stage of development, SIIA supports the need for public R&D investment to both enhance education technology products and services as well as ensure its effective implementation. At the same time, SIIA is concerned that such public efforts are too often competing with existing private entities and products, or are employing inappropriate processes to select and impose a sole source provider.

To most efficiently and effectively address needs and goals, SIIA believes public resources must be appropriately targeted and designed to supplement industry’s significant capital investments to research, develop and evaluate education technology. To that end, SIIA urges that federal

efforts not go to picking winners and losers but instead adhere to the following governing principles focused around public-private partnerships: (1) empowerment – provide educators with resources to meet their needs and thus drive the market; (2) R&D - target federal R&D to address market gaps, and ensure such government efforts do not distort or weaken market dynamics and incentives; and (3) evaluation & technical assistance – focus on providing educators with information they need to make their own decisions. SIIA will continue to work with the U.S. Department of Education and other stakeholders to ensure federal R&D efforts include technology, do not compete on the development side with private sector efforts, and include publishers as appropriate in the competitive grants process for R&D funding. Appropriate use of federal technology transfer protocol is also key.

These issues and SIIA policy goals have arisen in a number of different forms as follows:

#### **A. Digital Opportunity Investment Trust.**

Legislation was re-introduced to create a new federally funded Trust to support R&D and other activities around the creation of digital educational content as well as the digitizing of existing educational content. HR.2512 and S.1023 have modest bipartisan support and would dedicate 30% of revenues generated from federal sales of the electromagnetic spectrum, including that expected to be made available upon the conversion to digital television. The initiative was not included in the pending Commerce Committee Telecom bills.

Proposed Trust Fund uses would include: (1) digitization of collections/holdings of museums, libraries, cultural institutions, etc.; (2) support of basic and applied e-learning research; (3) creation of prototype instructional applications; and (4) assessment of legal, regulatory, and other issues that must be resolved to ensure rapid development and use of advanced learning technologies. The Trust's Board would award grants and contracts to nonprofit public institutions and for-profit organizations, while, with some limited exemptions, the resulting properties and materials shall be freely and nonexclusively placed into the public domain.

While SIIA generally supports the goals, we are concerned such a Trust would create and freely distribute products and services similar to those already provided, or best provided in the future, by the private sector. SIIA has therefore expressed to supporters that it seeks inclusion of clear non-compete and technology transfer provisions. SIIA has held several meetings with DOIT lobbyists, and a number of SIIA amendments were accepted in principle. While there appears to be some bipartisan support in both the House and Senate for this proposal, the scope of Congressional support may be limited by the significant funding required in light of federal budget deficits. Support will likely increase under a Democratic Congress with Rep. Markey, for example, a major supporter. SIIA will continue to watch developments, and if legislation moves forward, work to ensure SIIA recommendations are included.

#### **D. Federal Product Evaluation & Selection**

Perceptions that education interventions are too seldom based on sound research and proven practices has caused Congress and the Bush Administration to expand the federal research and evaluation role. These efforts raise a number of questions and concerns from publishers, as well



as educators and researchers, regarding federal prescription. SIIA is taking several steps to ensure an appropriate balance that empowers customers and market forces and does not violate government principals for competitive neutrality or against national curriculum.

These steps have included ongoing discussions with U.S DoED officials including Institute for Education Sciences director Russ Whitehurst, input into the What Works Clearinghouse, and clarifications of the relationship between the WWC and “scientifically based research” provisions in the No Child Left Behind Act. Concerns include overly narrow research standards, an unworkable and inherently biased process, and an end product that inappropriately rates products and prescribes educator choices. SIIA is especially concerned the WWC will act as gatekeeper for the use of federal funds for products and services. There is no evidence to date that this has happened, while SIIA has achieved some modification of WWC processes.

Recent developments include the following:

- **SIIA Testimony before National Math Panel.** After lobbying for this Bush-appointed panel to consider technology as it reviews and makes recommendations around math (pre-algebra readiness) math curriculum and instruction, SIIA and several SIIA members were invited in November to present a panel testimony (See Attachment 5). SIIA presented a framework and context for understanding what, how, and why technologies are being used today in mathematics curriculum and instruction. SIIA’s testimony outlined the drivers of technology use in schools, a framework of math technology types and uses, and several research issues. (See Attachment 6) Among its recommendations, SIIA called on the Panel to recommend additional public-private partnerships to further research into the use of technology in math education. SIIA also made clear that product selection should not be the purpose or outcome of this effort.
- **Federal Reading First Violations.** GAO and US DoED IG reports found the U.S. Department of Education’s NCLB Reading First program in violation of statutory program requirements and prohibitions against exercising any direction, supervision, or control over school curriculum or program of instruction. This included influencing state and local selections of reading programs. SIIA and many other entities had been expressing these concerns for several years.
- **Federal Restrictions.** Largely as a result of the Reading First violations, the pending National Competitiveness Investment Act (S.3936) includes provisions further limiting federal influence in curriculum. SIIA is working to further extend these provisions within this legislation, as well as future legislation.
- **Promising Practices Initiative.** SIIA met recently with outgoing Assistant Secretary Tom Luce and other officials regarding the preliminarily announced U.S. Department of Education’s Promising Practices Initiative (PPI). SIIA aimed to ensure any new initiative would be open, fair and avoid problems faced with other federal evaluation efforts such as the What Works Clearinghouse. As expected, the PPI is intended to indirectly supplement the WWC, which has not adequately met educator needs in light of its very rigorous research criteria, focus on interventions outside of broader context, and failure to

describe the conditions and practices that enable effective implementation of the given intervention (program, practice, policy, etc.), among other challenges. SIIA was assured that PPI will focus on systemic solutions to overall problems primarily in urban districts and NOT on vendor products. To the extent that specific programs/products are used, SIIA encouraged that the PPI focus on describing but not naming them. This is suggested in recognition of the evaluation model being used, which is not geared to reviewing the specific intervention and would not aim for comprehensive review of all related interventions.

### C. Other R&D

- **US DoED Research Priorities.** The U.S. Department of Education's Institute of Education Sciences' federal education research priorities included two key SIIA recommendations made in response to request for public comment on the original draft. First, SIIA was successful in raising education technology as a priority for study. The priorities now include: "delivery mechanisms including technology." Second, SIIA was successful in encouraging IES to not only conduct research on outcomes and identification of which programs, practices, policies and approaches work, but also "understanding the factors that influence variation in their effectiveness such as implementation."
- **Bush Administration Interagency Working Group on Advanced Technologies for Education and Training.** SIIA had been an active supporter of this federal coordinating body, including being invited to help launch the working group in October, 2003. SIIA met more than once with co-chair Phil Bond, former Under Secretary of Commerce for Technology, to advance our agenda, and SIIA submitted a comprehensive set of recommendations at his request aimed at better supporting the ed tech industry and growing the market. SIIA had been informed that among the Working Group's initial deliverables will be a clearinghouse of federal R&D initiatives mapped to a roadmap, allowing all interested stakeholders to search for federal projects and grants by key search terms. However, the task force has stalled with the departure of Bond as well as the U.S. DoED co-chair. Continuation of this cross-agency collaboration is uncertain in light of a lack of political leadership within the Bush Administration.

## IV. State Regulatory Reform to Support Electronic Learning Resources

One of SIIA's primary policy goals is an improved regulatory environment that supports the full potential of technology- and Internet-based education, including the reform of existing rules and the absence of new and inappropriate barriers. One such issue is the treatment of electronic learning resources, as compared to textbooks and other print-based materials. The broad goals are to ensure policies: (1) neither prejudice nor inappropriately favor technology-based education; and (2) rely to a great extent on consumer empowerment and market competition to meet education needs.

SIIA continues its advocacy campaign aimed at reforming state K-12 textbook adoption regulations and processes. The goal is to update systems employed by states to review and approve K-12 instructional materials that were originally designed for print-based materials and

often do not sufficiently consider issues unique to electronic instructional materials. Among the challenges identified by SIIA are requirements for physical distribution depositories, prohibition on content changing during the 6 year adoption cycle, state review criteria and processes that fail to recognize unique technology issues, and lack of support for many licensing and subscription contract issues unique to electronic resources.

SIIA has conducted a state survey, spoken at national conferences including the National Association of State Textbook Administrator's (NASTA) and met with officials in several states. As a result, NASTA launched a digital content committee to examine these and related issues, and the CA State Superintendent announced a partnership with SIIA on this topic at SIIA's May conference.

SIIA is targeting the key states of Florida, California and Texas for reform. SIIA met in December with key California policy makers and officials to advocate for reforms to the state's instructional materials adoption process aimed at ensuring inclusion of electronic learning resources. The meetings came in part in response to pending legislation (including a previous bill vetoed by Governor Schwarzenegger) that would have required adopted textbooks be made available by publishers in electronic format. As an alternative to such a requirement, SIIA instead encouraged regulatory reform aimed at opening up the process more to digital and online materials, and therefore providing incentives for the market (both publisher supply and educator demand) to move in this direction. SIIA's lobbying efforts included meetings with key senior staff of the Governor and Secretary Bersin as well as key legislative offices such as House Speaker Nunez.

In December, SIIA also participated in a Florida Department of Education meeting on its Sunshine Connections portal initiative and related digital content standards. The meeting was focused very narrowly on identifying meta standards for the tagging of "raw" digital assets built and/or owned by the state. While they made clear that such standards apply only to state content, it seems likely they hope such standards will be adopted by districts for their content procurement and/or incorporated in future years into the state instructional materials adoption process. SIIA has had follow up discussions with state officials, and recently sent a letter to several Florida districts regarding local technology requirements they will use for selecting state adopted reading materials.

SIIA had also been active on related legislation in Texas. SIIA was involved early last session in 2005 in early stages of the Texas eLearning Initiative, which, among other things, would have increased targeted funding for school technology and accelerated utilization of electronic instructional materials. However, with the state facing court order to amend its school finance plan and new state funding unavailable, the legislation evolved to provide flexibility with existing instructional materials funds rather than providing new technology resources. The apparent lack of new funds has tempered SIIA active lobbying. However, the latest proposals, expected to not be formally considered again until 2007, would focus in part on reform of the textbook adoption process with separate efforts aimed at increased technology funding. One proposal would largely eliminate the textbook adoption cycle to allow publishers to submit any materials at any time for review and eligibility for state funding. An alternative Senate proposal would instead add an off-cycle review. Both bills would allow subscription-based online

materials and create an expedited review process for materials that are updated after the initial state review/adoption. Meanwhile, several SIIA members met with state officials recently to work on other reforms not requiring legislation, and SIIA expects to follow through on these in the coming months.

## **V. Federal Higher Education Act & Workforce Development**

SIIA's higher education and workforce development policy goals include: (1) support ability of students and adults to gain the knowledge and skills necessary to succeed in the high-tech workforce; and (2) encourage the use of educational technologies and distance learning as a means to that education. More specifically, SIIA continues to advocate for: targeted resources to improve math and science education, including through technology and improved teacher quality; increased student aid and scholarship opportunities for students pursuing high-tech related post-secondary education; reform of student aid and other policies to provide students increased options for online education; information technology industry training tax incentives; and public-private partnerships to ensure educational programs meet real-world needs.

In 2005 and 2006 at the federal level, SIIA is pleased to see the advancement of many of these policy goals as follows:

- **Student Aid.** The FY06 budget reconciliation act included Academic Competitiveness and SMART Grants to encourage college studies in science, math, technology, engineering or critical languages. First- and second-year students must have completed a rigorous high school curriculum (definition TBD), and are eligible for awards of \$750 and \$1,300. Older students must maintain a 3.0 GPA and are eligible for \$4,000 annually. All students must meet Pell Grant income eligibility requirements. SIIA was part of a business coalition lobbying for this initiative, which was championed by Senate Majority Leader Frist. In its FY07 budget, the Bush Administration proposes increased funding for these grants.
- **Online Learning.** The FY06 budget bill also included a reform long advocated for by SIIA of the 50% rule, which has long restricted students receiving federal aid from enrolling in a program where more than 50% of the courses (individual or institution) are delivered through distance education. The amendment to the Higher Education Act (HEA) would instead subject these programs to the same oversight and approval as those delivered in a physical classroom or institution.
- **Competitiveness Initiatives** (See I-B Above)
- **Higher Education Act.** In addition to a couple of items noted above, Congress continues to work on reauthorization of the HEA, which governs the nation's student aid, provides institutional support and supports K-12 teacher training institutions. Pending House and Senate bills include important changes advocated for by SIIA that support the role of technology and enhance flexibility through distance learning. The Committee-approved Senate bill (S.1614) would enhance the use of technology in instruction to ensure schools of education are preparing incoming teachers for the modern classroom, and authorize new

grant programs to encourage school-business partnerships for development of new curriculum and services related to high skill and high growth occupations. The House-passed bill (H.R.609) would provide year-round Pell Grant aid for students attending school throughout the year, provide flexibility for minority serving institutions to use federal institutional aid for technology and online learning, reform several rules to allow improved student access to proprietary schools, triple to \$17,500 the amount of student loan forgiveness available to highly qualified math, science, and special education teachers who commit to teaching in high-need K-12 schools for five years; and strengthen and improve teacher training programs including by encouraging training of teachers in the use of technology.

#### **ATTACHMENTS:**

1. SIIA's Education and Workforce Development Policy Agenda: National at <http://www.siaa.net/govt/docs/pub/SIIA2005EdWorkPolicyAgenda.pdf>; Federal at <http://www.siaa.net/govt/docs/pub/2005SIIAFederalEdWorkforceAgenda.pdf>
2. Education-Industry Coalition Letter to Congress in Support of Federal Ed Tech Funding (May 12, 2006): [http://www.siaa.net/govt/docs/pub/MCC\\_House\\_Ed\\_Tech\\_Approps\\_Ltr.pdf](http://www.siaa.net/govt/docs/pub/MCC_House_Ed_Tech_Approps_Ltr.pdf)
3. Press Release on Capitol Hill Event in Support of Federal Ed Tech Funding (July 12, 2006): [http://www.siaa.net/govt/docs/pub/SIIA-ISTE\\_EETT\\_Release.pdf](http://www.siaa.net/govt/docs/pub/SIIA-ISTE_EETT_Release.pdf)
4. Recommendations for Inclusion of Technology and e-Learning in STEM, Innovation and Competitiveness Legislation: <http://www.siaa.net/govt/docs/pub/EdTechSTEM.doc>
5. Press Release on SIIA Testimony Before National Math Panel (November 6, 2006): [http://www.siaa.net/press/releases/Ed\\_Math\\_testimony\\_10-06.pdf](http://www.siaa.net/press/releases/Ed_Math_testimony_10-06.pdf)
6. SIIA Testimony Before National Math Panel (November 6, 2006): <http://www.siaa.net/govt/docs/pub/SIIAtestimonyMathPanelFinal2.pdf>