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## Reading Instruction: New Federal Initiatives

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## **ABSTRACT**

President Clinton has proposed a new program, "America Reads Challenge," with a goal of helping all children to read successfully on their own by the end of third grade, primarily by expanding the number of volunteer and other tutors in reading. On November 8, 1997, the House passed an alternative to the Administration's proposal: H.R. 2614, the "Reading Excellence Act". The Senate Committee on Labor and Human Resources reported a revised version of H.R. 2614 on June 10, 1998. Separately, the conference version of H.R. 2646, the Education Savings Act for Public and Private Schools, contains provisions similar to the House-passed version of H.R. 2614. The conference report on H.R. 2646 has been adopted by the House and Senate and sent to the President. A contingent FY1998 appropriation of \$210 million has been enacted, to be used for a new reading initiative if enacted by July 1, 1998. However, since both the House and the Senate have adjourned until after July 1 without adopting any version of H.R. 2614, and the President has stated that he will veto H.R. 2646, the contingent appropriation will apparently be transferred to the Special Education account, and it is unclear whether the 105th Congress will take further action on such reading legislation. This report provides a description and analysis of these proposals, and such related issues as trends in the reading achievement of American pupils and the relationship of these proposals to current federal aid programs. This report will be updated as further legislative developments occur.

# Reading Instruction: New Federal Initiatives

## Summary

President Clinton has proposed an “America Reads Challenge” program, with a goal of helping all children to read successfully by the end of third grade. On November 8, 1997, the House passed an alternative proposal: H.R. 2614, the “Reading Excellence Act”. The Senate Committee on Labor and Human Resources reported a revised version of H.R. 2614 on June 10, 1998. Separately, the conference version of H.R. 2646, the Education Savings Act for Public and Private Schools, contains provisions similar to the House-passed version of H.R. 2614. A contingent FY1998 appropriation of \$210 million would be used for a new reading initiative if enacted by July 1, 1998. However, since both the House and the Senate have adjourned until after July 1 without adopting either version of H.R. 2614, and the President has stated that he will veto H.R. 2646, the contingent appropriation will apparently be transferred to the Special Education account, and it is unclear whether the 105th Congress will take further action on such reading legislation.

Several elements or activities are common to both the Administration’s reading proposal and the 2 versions of H.R. 2614. All 3 are intended to: increase the supply of trained tutors for pupils having difficulty learning to read, using the Federal Work Study (FWS) program in part for this purpose; expand efforts to identify and disseminate information about effective reading instruction methods; and increase parental involvement in reading instruction for their children.

Nevertheless, there are important differences between “America Reads Challenge” and the 2 versions of H.R. 2614. The Administration proposal would: include a major role for AmeriCorps and other Corporation for National and Community Service (CNCS) participants in recruiting and coordinating reading tutors; increase the number of reading specialist teachers; provide direct support to regional and national organizations for development and dissemination of model programs; and depend more heavily than H.R. 2614 on volunteer tutors. In contrast, both versions of H.R. 2614 would: emphasize professional development for teachers; focus on poor-performing schools and/or relatively low income areas; require local programs to select and implement models of reading instruction deemed effective through “reliable, replicable research” (House) or the “best available research” (Senate) on reading. Further, the House version would provide funds for parent-selected tutorial services from a range of possible providers, including profit-seeking firms. The total authorized funding for the Administration proposal is substantially greater than that for either version of H.R. 2614.

Several current federal programs support reading instruction for disadvantaged and other children in preschool and early elementary grades, although no major program is solely devoted to this purpose. According to the Administration, a new federal reading initiative is needed because reading skills are basic to effective learning in all subjects, and many pupils are not reaching the widely accepted goal of reading independently by the time they complete third grade. H.R. 2614 would establish a new federal reading initiative, but on a smaller scale, a shorter time period, and more integrated with existing programs, than proposed by the Administration.



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# Reading Instruction: New Federal Initiatives

## Introduction

In his State of the Union message of February 4, 1997, President Clinton proposed a new federal program, "America Reads Challenge," intended to improve the reading skills of American schoolchildren. *On November 8, 1997, the House passed an alternative to the Administration's proposal: H.R. 2614, the "Reading Excellence Act". The Senate Committee on Labor and Human Resources reported a revised version of H.R. 2614 on June 10, 1998. Separately, the conference version of H.R. 2646, the Education Savings Act for Public and Private Schools, contains provisions similar to the House-passed version of H.R. 2614. The conference report on H.R. 2646 has been adopted by the House and Senate and sent to the President. A contingent FY1998 appropriation of \$210 million would be provided if a new reading initiative were enacted by July 1, 1998. However, since both the House and the Senate have adjourned until after July 1 without adopting any version of H.R. 2614, and the President has stated that he will veto H.R. 2646, the contingent appropriation will apparently be transferred to the Special Education account, and it is unclear whether the 105th Congress will take further action on such reading legislation.*

The Administration has stated that it supports H.R. 2614, but still has several concerns that it hopes will be resolved in future consideration of the bill (these are discussed at the end of the description of H.R. 2614, below). This report provides a description of these reading program proposals, a discussion of the context and rationale for the proposals, and a review of major related issues.<sup>1</sup>

## Administration Proposal — "America Reads Challenge"<sup>2</sup>

The Administration proposal's goal is to help all children be able to read successfully on their own by the end of third grade, primarily by expanding the number of volunteer and other tutors in reading, especially during after-school and summer periods. Specific elements of the "America Reads Challenge" initiative include: (1) an "America Reads Challenge" legislative proposal to support local partnerships to provide reading tutorial services, plus Parents as First Teachers grants to support parental involvement in teaching their children to read; (2) increased

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<sup>1</sup> Proposals to improve reading instruction other than the Administration proposal and H.R. 2614 are not discussed in this report because no congressional action has been taken on them.

<sup>2</sup> Additional information on this proposal may be found on the "America Reads Challenge" site on the Internet's World Wide Web, at the following address — <http://www.ed.gov/inits/americanreads/>.

funding for Corporation for National and Community Service (CNCS) programs (AmeriCorps, Learn and Serve America, and Senior Corps)<sup>3</sup> to help organize local tutoring activities; (3) increased funding for the Federal Work Study (FWS) program,<sup>4</sup> with 50% of the increase reserved for reading tutors; and (4) increased support for a summer reading program initiated by the Administration in 1994 and provided by community groups entitled “Read\*Write\*Now!”. Additional proposals by the Administration to increase funding for the Head Start and Even Start programs, plus aid for the education of disadvantaged children under Title I, Elementary and Secondary Education Act (ESEA), and to expand U.S. Department of Education (ED) efforts to identify and disseminate information about effective forms of reading instruction, are also associated with the “America Reads Challenge” proposal.

Of the major elements of “America Reads Challenge,” only number (1) requires the adoption of new authorizing legislation; the others involve increased funding for existing programs or activities. Legislation has been introduced that embodies the Administration’s proposal — H.R. 1516, sponsored by Representative William Clay and S. 664, sponsored by Senator Edward M. Kennedy, the “America Reads Challenge Act of 1997,” and S. 12, sponsored by Senator Thomas A. Daschle, the “Education for the 21st Century Act” — but no formal action has been taken on these bills thus far.

Under the Administration proposal, a “Reading Corps” of reading specialists and tutor coordinators would recruit and train volunteer and other tutors. Most of the tutor coordinators would be AmeriCorps participants. Parents as First Teachers grants would be made to both community and national groups for activities intended to help parents teach their children to read. Both the Reading Corps and Parents as First Teachers grants would be jointly administered by ED and the CNCS. The FWS expansion would provide compensation for college student tutors.

The authorized appropriations level for the ED portion of the joint program would be \$260 million for FY1998, rising to \$460 million for FY2002. Of the FY1998 authorization, up to 5% of the total (\$13 million) could be used for evaluations and technical assistance (Title IV), and at least \$197 million would be used for *grants to states* (Title II). Of the latter amount, 70% would be allocated to states in proportion to their grants under ESEA Title I, Part A, and the remaining 30% on the basis of the quality of state applications. At least 20% of each state’s grants must be used for Parents as First Teachers activities, defined as “effective local programs, such as family literacy programs, that provide appropriate support, training, and educational materials to involve and assist parents (and other adult primary caregivers) to help their children become successful readers by the end of the third grade” (Section 206(a) of H.R. 1516).

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<sup>3</sup> For information on the CNCS, see *The Corporation for National and Community Service: Programs and Funding*, CRS Report 96-716, by Ruth Ann Stewart.

<sup>4</sup> For information on the FWS program, see *Higher Education: Campus-Based Programs*, CRS Report 96-831, by Deborah A. Santiago.

Each year, \$50 million of the amount appropriated for ED would be used for *local and regional grants to support effective models and exemplary partnerships* (Title III). These funds would be used for model local reading programs, national or regional reading programs or support networks, and other activities intended to identify and promote effective methods for helping children read well and independently by the end of the third grade. At least 10% of these funds would be used for national or regional networks that support Parents as First Teachers activities.

The total authorization for both the ED and CNCS portions of “America Reads Challenge” over the 5 year authorization period is \$2.75 billion. In addition to the ED funding discussed above, appropriations for the CNCS in excess of the FY1997 level, up to \$200 million per year, would be devoted to this program. Between 70% and 75% of this amount would be used for grants to states, up to 5% for support activities, and 25% for grants to model programs and partnerships. With respect to FY1998 appropriations, the President requested \$549 million for CNCS programs, earmarking \$162.0 million for “America Reads Challenge.” Conferees on H.R. 2158, the FY1998 VA, HUD, and Independent Agencies Appropriations Act, agreed to increase CNCS funding by \$25 million over the FY1997 appropriation of \$402.5 million. Grants for AmeriCorps would be funded for FY1998 at \$227 million, with \$25 million earmarked for “literacy and mentoring activities.”<sup>5</sup>

### **Alternative Proposal — H.R. 2614, the “Reading Excellence Act”**

**House Version.** On October 24, 1997, the House Committee on Education and the Workforce reported a legislative proposal intended to improve reading instruction, as an alternative to the “America Reads Challenge” initiative (H.Rept. 105-348). This bill was passed by the House on November 8, 1997. The Senate adopted a similar proposal as an amendment to H.R. 2646, the Education Savings Act for Public and Private Schools, on April 23, 1998. This provision is included in the conference version of H.R. 2646. A third bill, S. 1596, with provisions identical to those of Titles I and II of H.R. 2614, as passed by the House, has been introduced in the Senate. The following discussion of Titles I and II of H.R. 2614 applies to all 3 bills.

H.R. 2614, the “Reading Excellence Act,” has goals similar to those of “America Reads Challenge,” but would utilize a substantially different strategy to attempt to meet those goals. The “Reading Excellence Act” would emphasize grants to state reading partnerships to coordinate literacy activities and make local subgrants for teacher professional development and other activities intended to improve reading instruction in schools that are not performing satisfactorily under the ESEA Title I program for disadvantaged children. Additional local grants would be made for tutorial assistance in LEAs serving empowerment zones or enterprise communities. H.R. 2614 would also provide aid for statewide family literacy activities under the Even Start program, and reserve a share of FWS funds for postsecondary students

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<sup>5</sup> For additional information, see *Appropriations for FY1998: VA, HUD, and Independent Agencies*, CRS Report 97-204, coordinated by Dennis W. Snook.



acting as reading tutors. There would be no direct or explicit role for AmeriCorps or other CNCS programs in the strategy authorized under H.R. 2614.

Title I of H.R. 2614 would add a new Title XV to the ESEA, “Reading Grants.” ED would make grants to state or multi-state “Reading and Literacy Partnerships.” These partnerships *must* include the Governor, the chief state school officer (CSSO), the chair and ranking members of state legislative committees responsible for education policy, plus representatives of LEAs and community-based organizations (CBOs), and *may* include other individuals selected jointly by the Governor and CSSO. The partnerships would use funds provided under this program to make subgrants to eligible local entities and evaluate the effectiveness of the services they provide, coordinate literacy programs, provide technical assistance, and arrange for the dissemination of “reliable, replicable research”<sup>6</sup> on reading. State applications for assistance would be evaluated by a peer review panel that includes representatives of the National Institute for Literacy,<sup>7</sup> the National Research Council of the National Academy of Sciences, the National Institute of Child Health and Human Development (part of the National Institutes of Health), and ED. The panel would recommend to the Secretary of Education whether to fund the applications, and at what level; annual state grants would be at least \$100,000. No more than 3% of state grants could be used by state partnerships for administration.

State partnerships would make two types of local subgrants — local reading improvement subgrants and tutorial assistance subgrants. Each applicant for *local reading improvement subgrants* must include at least one LEA with one or more schools identified as being in need of improvement under the ESEA Title I program of education for disadvantaged children,<sup>8</sup> and that are associated with CBOs. Services would be provided in such schools for a 3-year period, regardless of whether

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<sup>6</sup> H.R. 2614 defines this as “objective, valid, scientific studies that — (A) include rigorously defined samples of subjects that are sufficiently large and representative to support the general conclusions drawn; (B) rely on measurements that meet established standards of reliability and validity; (C) test competing theories, where multiple theories exist; (D) are subjected to peer review before their results are published; and (E) discover effective strategies for improving reading skills” (Section 15012(6)).

<sup>7</sup> The National Institute for Literacy was established by P.L. 102-73 to “provide a national focal point for research, technical assistance and research dissemination, policy analysis, and program evaluation in the area of literacy; and facilitate a pooling of ideas and expertise across fragmented programs and research efforts” (Section 102(b)(3)). Thus far, the Institute’s focus has been primarily on *adult* literacy activities.

<sup>8</sup> Schools that receive ESEA Title I grants and do not meet state standards of adequate progress for 2 consecutive years are identified as needing improvement. The school must develop and implement an improvement plan, including professional development activities for school staff, with assistance by the LEA. If the school continues to perform inadequately, the LEA must take further “corrective actions,” consistent with state and local law. In addition, the state must provide assistance to these schools via school support teams and “distinguished educators.” For additional information, see *Title I, ESEA: Current Status and Issues*, CRS Report 96-380, by Wayne Riddle.

the school remains in the Title I program improvement process throughout that time period.<sup>9</sup>

Schools participating in local programs would select and implement one or more *models of reading instruction*, based on “*reliable, replicable research*” (see footnote 5). Local applicants must secure agreement by the developer or other persons with expertise in applying these instructional models to assist them in implementation. In addition, local partnerships must provide family literacy programs based on the Even Start model. Even Start, authorized by ESEA Title I, Part B, aids local programs that jointly provide, either directly or indirectly, for early childhood education, parenting skills training, and adult literacy instruction for young disadvantaged children and their parents. Local aid recipients would also be required to provide reading and reading readiness instruction to kindergarten pupils who are not yet ready to enter first grade; tutorial and other instruction in reading for pupils in grades 1-3; and professional development for teachers of reading.

In making local subgrants, state reading and literacy partnerships would give priority to applicants with a “contractual association” with local Head Start programs, other state- or federally-funded preschool programs, or public libraries, using the same model(s) of reading instruction, and sharing resources and staff training. Recipients of aid under the proposed program would be authorized to provide training, on a fee basis, to non-recipient LEAs and other agencies, and the latter may use funds received under federal programs such as ESEA Title I to pay the costs of this training. No more than 3% of local grants may be used for administration.

State reading and literacy partnerships would also make *tutorial assistance subgrants* to LEAs with one or more schools located in an empowerment zone or enterprise community.<sup>10</sup> These funds would be used by LEAs to pay the costs of providing tutorial services to pupils having difficulty in learning to read, including both pupils whose parents apply for the tutorial services and other eligible pupils identified by the LEA. Tutorial services would be provided in locations near pupils’ schools by entities that “have established a record of effectiveness” in providing reading (or reading readiness) instruction, based on “reliable, replicable research,” which is consistent with the instructional methods used at the pupil’s school. Recipient LEAs would establish criteria for determining the eligibility of tutorial services providers, and maintain lists of entities in the local area that meet these eligibility requirements. Both LEAs and schools could assist parents of eligible

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<sup>9</sup> A school placed in the Title I program improvement process is released from this status when the pupils it serves meet state standards of adequate progress.

<sup>10</sup> Empowerment zones are defined in subchapter U of Chapter 1 of the Internal Revenue Code of 1986, while enterprise zones are defined in Section 701(a)(1) of the Housing and Community Development Act of 1987. Both are local areas of high poverty that meet certain eligibility requirements to receive specified forms of aid or regulatory flexibility. The bill was amended during Committee mark-up to provide that in states with no empowerment zones or enterprise communities, tutorial assistance subgrants may be used to serve pupils in any school designated for program improvement under ESEA Title I. For additional information, see *Empowerment Zones/Enterprise Communities Program: Implementation and Development*, CRS Report 97-257, by Bruce K. Mulock.

children in selecting among the listed tutorial services providers for their child, but the final selection among eligible providers would rest with the parents.

Tutorial services providers might include public agencies, non-profit private organizations, and profit-seeking private business firms (e.g., Sylvan Learning Centers). This aspect of H.R. 2614 has attracted significant attention; issues related to this provision are discussed later in this report. Priority would be given to pupils with the greatest need for tutorial assistance. Parents of pupils selected to participate would choose the tutorial services provider for their child, from among those on the LEA-compiled list. Nevertheless, LEAs (not individual parents) would establish contracts with participating tutorial services providers, with the contracts to include performance goals and timetables, and procedures whereby LEAs oversee the quality and effectiveness of services provided.

H.R. 2614 would reserve 1.5% of each year's ED appropriation to pay for a national evaluation of the activities supported under this program. The evaluation would be conducted by an entity selected by the Secretary of Education, with the advice of the peer review panel discussed above. In addition, each state reading and literacy partnership would be authorized to reserve up to 2% of its grants for an evaluation to be conducted by an "eligible research institution," defined as an institution of higher education at which "reliable, replicable research on reading" has been conducted. The Secretary of Education and the peer review panel would submit a summary of these state evaluations to Congress.

The bill provides that \$5 million of each year's appropriation would be reserved for dissemination of information on "reliable, replicable research on reading," plus effective programs undertaken under this legislation, by the National Institute for Literacy. It also would provide to parents of pupils in schools receiving grants under this program a right of access to information on the qualifications of their child's teacher to teach reading.

Title II of H.R. 2614 would amend the Even Start legislation (ESEA Title I, Part B) to authorize competitive, matching (50-50) grants to states for statewide family literacy initiatives. These initiatives would coordinate existing federal, state, and local literacy programs and resources, and would include parent-child literacy activities, literacy instruction for parents, training of parents to help their children learn to read, and instruction for children. The bill would also require all states receiving Even Start grants to develop "indicators of program quality," to be used to monitor and improve Even Start programs in the state, and to determine whether to continue funding local programs.

Title III of H.R. 2614 would amend the FWS legislation to require institutions of higher education to use at least 2% of their grants each year to compensate students working in reading tutorial or family literacy programs, especially those participating in programs funded under Title I of the bill. For students working in such positions, the federal share of FWS payments may exceed the usual limit of 75%.

The appropriations authorization for all activities under H.R. 2614 would be \$260 million for each of FY1998-2000. Of this amount, \$10 million would be used for statewide family literacy initiatives under the Even Start program. Finally, Title

IV of H.R. 2614 would repeal the authorizations for a number of currently unfunded education programs.

In a statement dated November 7, 1997, the Administration stated that it supported H.R. 2614 in general, but still had several concerns that it hoped would be addressed during further consideration of the bill by the Senate.<sup>11</sup> According to Administration statements, the primary aspects of H.R. 2614, as passed by the House, which they oppose are: the tutorial assistance subgrants; the lack of provision for schools funded or operated by the Bureau of Indian Affairs; the lack of control of the peer review panel by the Secretary of Education; a requirement for postsecondary institutions to spend 2% of FWS funds on reading tutorial activities; and other, unspecified aspects of the bill that are “overly prescriptive”.

**Senate Version.** The Senate Committee on Labor and Human Resources reported a revised version of H.R. 2614 on June 10, 1998 (S.Rept. 105-208). While the Senate Committee-reported version of H.R. 2614 shares several of the basic elements of the House-passed bill — such as a focus on professional development for teachers, an attempt to focus programs on instructional practices proven effective through research, and expansion of the Even Start program — there are substantial differences between the House and Senate versions of H.R. 2614, as is discussed below.

The Senate version of H.R. 2614 would amend the primary current ESEA provisions focused on teacher professional development — Title II, the Eisenhower Professional Development Program — by adding a new Part C, “Professional Development in Reading and Literacy” (existing Parts C and D would become Parts D and E). The flow of funds for this Part would be separate from those for existing Parts of Eisenhower, especially Part B (State Grants). Funds for the new Part C would be allocated to states using the same formula as currently used for Part B: one-half of funds would be distributed to states on the basis of population aged 5-17, and one-half in proportion to grants under ESEA Title I, Part A (Education for the Disadvantaged), with a state minimum of 0.5% of total grants.

Within states, funds would be targeted on LEAs with relatively high rates of poverty. *Only* LEAs in which the percentage of school-age children from low-income families is equal to or exceeds the *lesser* of either 30%, or 1.5 times the state average percentage, would be eligible for assistance under this Part.<sup>12</sup> Funds would be allocated among eligible LEAs at state discretion, but taking into account such factors as the number of children from low-income families, and the number of pupils whose level of reading achievement is unsatisfactory (as determined by the

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<sup>11</sup> See the “Legislative Update” dated November 13, 1997 on the Internet site <http://www.ed.gov/inits/americanreads/971113.html>, downloaded on November 21, 1997.

<sup>12</sup> The LEA eligibility threshold would vary by state, although it would not exceed 30% in any state. If a state’s average poverty rate for children aged 5-17 is less than 20%, then the LEA eligibility threshold would be less than 30%, and would be equal to 1.5 multiplied by the state average school-age child poverty rate. For example, if the state average school-age child poverty rate were 12%, then the LEA eligibility threshold would be a school-age child poverty rate of 18% (1.5 times 12%).

state). LEAs that would receive grants under this Part of less than \$10,000 *must* form a consortium with other LEAs to meet the minimum grant size threshold (although this may be waived by the SEA); all LEAs *may* also form consortia with local Head Start, adult education, or library service providers. A maximum of 5% of each state's grant may be reserved for state administration and statewide activities, such as technical assistance, coordination of reading and literacy programs, plus evaluations.

Participating SEAs would be required to develop a "State Plan to Improve Teaching and Learning of Reading and Literacy Programs", which: (a) is developed in conjunction with the Governor (in states where he/she does not appoint the Chief State School Officer who heads the SEA), the State Higher Education Agency, institutions of higher education (IHEs), "community-based and other non-profit organizations of demonstrated effectiveness", state directors of federal and state programs with a "strong reading or literacy component", reading teachers, and parents; (b) assesses needs for reading and literacy professional development, especially the needs of teachers in schools receiving grants under ESEA Title I; (c) describes how activities funded under this Part will address those needs, will be based on the "best available research" on reading development and disorders, and will prepare teachers in all major components of reading instruction (including phonics and reading comprehension); (d) coordinates literacy programs in the state; (e) uses technology to enhance professional development activities; (f) describes how the SEA will evaluate LEA programs; and (g) assures that LEAs receiving grants under this Part will carry out family literacy programs similar to the Even Start program authorized under ESEA Title I, Part B, as well as programs for children who are not ready for the transition from kindergarten to first grade due to difficulty acquiring reading skills. States may participate by joining with other states in multi-state partnerships, in which one state acts as the fiscal agent for all of the states involved. States must submit an annual report to ED which includes the distribution of funds to LEAs and the methods used to evaluate LEA programs.

Participating LEAs must also develop plans to improve reading and literacy instruction. The items required to be included in these LEA plans are parallel to those for the state plans described above. Participating LEAs are encouraged to have a "contractual association" with 1 or more community-based organizations, Head Start programs, or public libraries. Specifically authorized local activities include: professional development for reading teachers; coordination of local reading and literacy programs, including family literacy programs similar to Even Start and procurement of technical assistance services; and programs to assist kindergarten students having difficulty acquiring reading skills. At least 80% of local grants must be used for professional development of teachers and other staff of both public and private, nonprofit elementary and secondary schools with the greatest need for such assistance, as evidenced by poor pupil performance on reading assessments, and/or a high percentage of pupils from low-income families.

The authorized level of appropriations under the Senate version of H.R. 2614 is \$210 million for each of FY1998-2000. *However, no funds may be appropriated for this program unless appropriations for the Individuals with Disabilities Education Act (IDEA) for that year exceed the previous year amount by at least \$500*

*million.*<sup>13</sup> Of the amount appropriated for each year, \$10 million is reserved for competitive grants to statewide family literacy program coordination initiatives (ESEA 1202(c)), and \$5 million reserved for dissemination activities by the National Institute for Literacy. The program would be repealed effective at the end of FY2000, and is not subject to the contingent extension provision of the General Education Provisions Act (Section 422), which applies to most ED programs. Title II (Even Start amendments) of the Senate version of H.R. 2614 is essentially the same as in the House version. However, the Senate bill does not have provisions comparable to those of Title III (Federal Work-Study tutoring/literacy programs) of the House bill.

## **Context for Consideration of the Reading Proposals**

### **Current Federal Reading/Literacy Programs**

Several current federal programs support reading instruction for children in preschool and early elementary grades, although no major current program is solely devoted to this purpose. Existing programs targeted specifically at reading or literacy instruction are aimed primarily at adults, not young children.

Virtually all of the major federal preschool, elementary, and secondary education programs support a substantial amount of instruction in reading. ESEA Title I provides supplementary instruction for low-achieving pupils in relatively low income areas. While the Title I statute does not specify what subjects are to be taught, an estimated 72% of the participating pupils receive reading instruction in Title I programs.<sup>14</sup> Similarly, other programs support instruction in reading, along with other basic subjects, for pupils with disabilities (the Individuals with Disabilities Education Act) or pupils with limited English language proficiency (ESEA Title VII, Part A — the Bilingual Education Act). Head Start, Even Start, and other programs support reading readiness instruction for preschool children in low-income families, as well as family literacy programs that jointly serve such children and their parents.

In addition to the above, there are other programs specifically aimed at improving literacy, but they are either targeted at age levels other than the early elementary years, or are small in scale. Programs under the Adult Education Act and other legislation specifically support literacy instruction, but are aimed at adults (persons aged 16 and above). The Inexpensive Book Distribution program (ESEA Title X, Part E), funded at \$12 million for FY1998, provides an annual contract to a non-profit organization — Reading Is Fundamental, Inc. (RIF) — to help motivate children to read. Finally, ED supports the conduct and dissemination of research on reading instruction through activities of the Office of Educational Research and

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<sup>13</sup> This criterion has been met with respect to the FY1998 contingent appropriation for the reading program.

<sup>14</sup> Westat, Inc. *State Chapter 1 Participation and Achievement Information — 1993-1994*. 1996. p. 5.

Improvement (OERI), such as a grant recently awarded to the Center for the Improvement of Early Reading Achievement at the University of Michigan.

## **Contingent Appropriation**

P.L. 105-78, FY1998 appropriations legislation for the Departments of Labor, Health and Human Services, and Education, provided an appropriation of \$210 million for a “literacy initiative.” This appropriation is provided *contingent upon* enactment of requisite authorizing legislation *by July 1, 1998*.<sup>15</sup> Under P.L. 105-78, if such an authorization were not adopted by that date, these funds would be transferred to the Special Education (for children with disabilities) account. This situation was analogous to the initial (FY1994) funding for the Goals 2000: Educate America Act, for which a contingent appropriation was adopted in advance of enactment of the Goals 2000 authorizing legislation.

However, since both the House and the Senate have adjourned until after July 1 without adopting any version of H.R. 2614, and the President has stated that he will veto H.R. 2646, the contingent appropriation will apparently be transferred to the Special Education account, and it is unclear whether the 105th Congress will take further authorization or appropriations action on such reading legislation.

## **Research and Recommendations on Methods of Reading Instruction**

In recent months, substantial new research and recommendations on methods of beginning reading instruction have been published by the National Institute of Child Health and Human Development (NICHD), part of the National Institutes of Health of the U.S. Department of Health and Human Services (DHHS), and by the National Research Council of the National Academy of Sciences. Much of this activity focuses on a long-running debate between groups of educational analysts and advocates who support “phonics” versus “whole language” methods of reading instruction. “Phonics” can be defined as a technique emphasizing systematic instruction in the relationships between sounds and letters or letter combinations; while “whole language” can be defined as a technique emphasizing the teaching of literature, reading comprehension, and writing by young pupils. While such definitions are a simplification of this debate, and a large proportion of teachers use

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<sup>15</sup> The contingent FY1998 appropriation would actually have been obligated in FY1999 (beginning on October 1, 1998); as a result, the \$210 million has sometimes been listed in appropriations documents as a FY1998 appropriation, and at other times as a FY1999 appropriation. In any case, the \$210 million would have been provided in FY1998 appropriations legislation, for obligation in FY1999, *if* the contingency of enactment of relevant authorizing legislation were met by the deadline of July 1, 1998. The Administration has requested an additional \$50 million in FY1999 appropriations for this program, so that total funding for use in FY1999 would have been \$260 million if the contingency were met.

elements of both strategies, the two camps represent significant differences in emphasis, on which there has been a great deal of debate over the years.

In April 1998, the NICHD named members to a National Reading Panel, established under provisions of the FY1998 Labor, DHHS, Education, and Related Agencies Appropriations Act (P.L. 105-78). The Panel is to study the effectiveness of different approaches to reading instruction, determine how the findings on recent research on reading instruction can be applied in classrooms, and make recommendations on further research needs. The formation of this panel follows the publication in recent years of studies funded by NICHD of a variety of reading instruction methods and programs. Some of these studies have concluded that certain phonics methods of instruction are most effective in teaching many disadvantaged children to read.<sup>16</sup> Some have expressed concern about the National Reading Panel's membership as failing to represent a broad range of views and expertise on the teaching of reading.<sup>17</sup>

On March 18, 1998, the National Research Council's Committee on the Prevention of Reading Difficulties in Young Children issued its report, *Preventing Reading Difficulties in Young Children*. This Committee recommended use of a mixture of phonics and whole language techniques — integrated approaches that incorporate phonemic awareness (i.e., awareness of the relationships between sounds and letters or combinations of letters), *as well as* reading comprehension and (as early as possible) writing exercises at all stages of the prekindergarten through early elementary years. They further emphasize the importance of a “language-rich” environment for prekindergarten age children, both in their homes and in school settings. The Committee members recommend an increase in affordable prekindergarten programs, improved preservice and inservice training for teachers in effective, research-based reading instruction methods, “manageable class size and student-teacher ratios,” plus greater and more effective use of reading specialist teachers. They note that volunteer tutors can be helpful, but are unlikely to be effective in teaching children with serious reading problems. Finally, they suggest that young children from non-English language backgrounds be instructed first in their home language, then in English, *if* appropriate instructional materials and teachers are available.

## Issues

### **Justification for a Reading Initiative Aimed at Preschool and Early Elementary Pupils**

According to the Administration, a new federal reading initiative is needed because reading skills are basic to effective learning in all subject areas, and a large proportion of pupils are not reaching the widely agreed-upon goal of reading

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<sup>16</sup> Study Stresses Role of Early Phonics Instruction. *Education Week*. March 12, 1997.

<sup>17</sup> NICHD Chief Names Closely Watched Panel on Reading Research. *Education Week*. April 8, 1998.



independently by the end of the third grade.<sup>18</sup> For example, in the most recent National Assessment of Educational Progress (NAEP) tests in reading (1994), 40% of American 4th grade pupils failed to meet a “basic” level of proficiency.<sup>19</sup> Longer-term trends in NAEP scores in reading for fourth grade pupils exhibit little change in average scores since 1980, after rising significantly between 1971 and 1980.

At the same time, in international comparisons of academic achievement, reading scores for American elementary school pupils are relatively high, at least in comparison to American pupils’ scores in subjects such as mathematics or science. For example, in a 1992 assessment of reading achievement conducted by the International Association for the Evaluation of Educational Achievement, the average score for American fourth grade pupils was higher than those for all other participating nations, except Finland. In contrast, the achievement scores for American pupils are almost always below the average for developed nations in international comparisons of achievement in mathematics or science.

### **Rationale for a *New Federal Program in This Area***

As was discussed above, the federal government already provides substantial support for reading instruction, research and dissemination, which are the purposes of the proposed initiatives discussed in this report. Thus, it may be questioned whether sufficient need exists for a new federal initiative in this area, rather than expanding or attempting to increase the effectiveness of existing programs. While the largest existing programs for preschool and early elementary pupils are aimed at specific groups of high need pupils, not pupils at large, those eligible to be served under existing programs are mostly likely to be in need of additional or improved reading instruction. Although the current programs are not focused solely on reading, local administrators select the subject areas where pupils most need help, and large proportions of those served receive instruction in reading.

Nevertheless, most of the current programs do not currently serve all eligible pupils, and the programs do not place a specific priority on reading instruction. Further, the large percentage of fourth grade pupils who fail to meet a basic level of proficiency on the basis of NAEP tests and performance standards (see above) would appear to indicate that current programs are not sufficiently effective to meet pupil needs. This factor might be used to justify either the adoption of *new* programs and approaches, as under the “America Reads Challenge” legislative proposal, or an emphasis on improving the effectiveness of *existing* programs, as would occur in part

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<sup>18</sup> There may also be an implicit linkage between the “America Reads Challenge” proposal and the Administration’s national test initiative, which includes a 4th grade test in reading. For information on this topic, see *National Tests: Administration Initiative*, CRS Report 97-774, by Wayne Riddle.

<sup>19</sup> NAEP tests are developed and administered through a cooperative agreement between ED’s National Center for Education Statistics (NCES) and the Educational Testing Service, a non-governmental organization. Test frameworks are established through collaboration with teachers, local and state education officials, subject area and testing specialists. The process is overseen by an independent National Assessment Governing Board (NAGB), which sets standards for meeting basic, proficient, and advanced achievement levels.

under the two versions of H.R. 2614, as well as the parts of the “America Reads Challenge” *other than* the new legislative proposal (e.g., increased funding for such existing programs as ESEA Title I and Head Start).

## Primary Focus of the Initiative

Several elements or activities are common to both the Administration’s reading proposal and the two versions of H.R. 2614. **All 3** are intended to: expand efforts to identify and disseminate information about effective reading instruction methods; and increase parental involvement in reading instruction for their children. In addition, the Administration proposal and the House-passed version of H.R. 2614 would increase the supply of trained tutors for pupils having difficulty learning to read, using the FWS program in part for this purpose.

Nevertheless, there are important differences between “America Reads Challenge” and the two versions of H.R. 2614. The **Administration proposal** —

- includes a specific, major role for AmeriCorps and other CNCS program participants in expanding and coordinating reading tutorial services;
- is specifically intended to increase the number of reading specialist teachers;
- would provide direct support to regional and national organizations and partnerships for development and dissemination of model programs; and
- depends heavily on volunteer tutors.

In contrast, only the two versions of **H.R. 2614** —

- emphasize professional development for teachers; and
- focus on poor-performing schools in relatively high poverty areas.

Regarding the distinctive characteristics of the two versions of H.R. 2614, only the **House** version —

- provides funds for parent-selected tutorial services from a range of possible providers, apparently including profit-seeking firms; and
- links this initiative specifically to schools that are not performing satisfactorily under the major current federal education program for education of low-achieving pupils (ESEA Title I).

Finally, only the **Senate** version of H.R. 2614 —

- makes this initiative part of the largest current federal program supporting teacher professional development (the Eisenhower Program under ESEA Title II); and
- makes continued funding of this initiative contingent upon relatively large (\$500 million) annual increases in appropriations for the IDEA.

The scale of the Administration proposal is substantially greater than that of H.R. 2614 — it would provide \$2.75 billion over 5 years, compared to \$780 million

over 3 years under the House version of H.R. 2614, and \$630 million over 3 years under the Senate version.

Another issue relevant to both proposals, but especially “America Reads Challenge,” is whether volunteer tutors will be sufficiently well trained to effectively increase the reading achievement of pupils. Proponents of large-scale volunteer tutoring programs argue that they are often the only financially viable way to provide needed personal attention to low-achieving pupils, while others consider it unlikely that most volunteer tutors will be successful with pupils where certified teachers have been unsuccessful, in spite of the personalized attention they can provide.<sup>20</sup>

### **AmeriCorps Involvement in a Reading Initiative**

While both “America Reads Challenge” and H.R. 2614 would attempt to increase the availability of reading tutors for young pupils, only the former would specifically utilize AmeriCorps and other CNCS program participants to help organize and coordinate this activity. Since its establishment in 1993, the activities of AmeriCorps have attracted substantial controversy.<sup>21</sup> It may be questioned whether the involvement of AmeriCorps and other CNCS program participants is essential to the success of any of the proposed reading initiatives. The Administration has argued that a tutorial program on the large scale envisioned in “America Reads Challenge” requires AmeriCorps or some other network to recruit and coordinate the tutors. However, while AmeriCorps and other CNCS participants may be well-situated to perform this role, it is quite possible that LEAs and other local grantees under either reading proposal might be able to recruit and train tutors without the involvement of national organizations. Also, many individuals already serve as volunteer reading tutors, and a large-scale increase in volunteer tutors would not be required under either version of H.R. 2614.

### **Tutorial Assistance Subgrants in the House Version of H.R. 2614**

The provision in the House version of H.R. 2614 for tutorial assistance subgrants has attracted some attention and controversy, in part because the entities providing the tutorial services and ultimately receiving these funds might include profit-seeking businesses, such as Sylvan Learning Centers or similar firms. Currently, federal aid under the ESEA and other programs is provided to pupils attending public and private, *non-profit* schools, and some individuals are concerned

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<sup>20</sup> *Ibid.*

<sup>21</sup> For general information on AmeriCorps and other CNCS programs, see *The Corporation for National and Community Service: Programs and Funding*, CRS Report 96-716, by Ruth Ann Stewart. For discussions of controversies surrounding the CNCS, see, for example, AmeriCorps National-Service Program’s Future Is In Doubt. *The Chronicle of Higher Education*. June 16, 1995. p. A29. Compromise Keeps Arts Endowment Alive and Adds Funds for National Service. *The Chronicle of Higher Education*. October 10, 1997. p. A27. Republican Lawmakers Again Blast AmeriCorps Accounting. *The Chronicle of Higher Education*. January 10, 1997. p. A43. House Votes to Strip National-Service Program of Funds in 1997. *The Chronicle of Higher Education*. July 5, 1996. p. A24.

about the involvement of profit-seeking firms in federally assisted education programs.

Nevertheless, profit-seeking firms do currently receive funds from ESEA Title I and other federal programs *indirectly* in return for services provided to public schools. For example, some schools receiving aid under ESEA Title I, the Public Charter Schools program (ESEA Title X, Part C), and other federal programs are managed by profit-seeking firms. Frequently, LEAs contract with profit-seeking firms to provide specific instructional services (e.g., the provision of computer-assisted instructional programs for disadvantaged pupils) funded by ESEA Title I or other federal programs.

A unique aspect of the H.R. 2614 (House) provision, in comparison to current programs and practices, is that the potential involvement of profit-seeking firms is combined with a limited degree of parental choice among service providers. While choices under the House version of H.R. 2614 would be limited to entities deemed to be qualified by the LEA, the combination of parental choice with the potential involvement of private, including profit-seeking, entities makes this proposal sufficiently similar to private school voucher or scholarship proposals to arouse concerns among opponents of such proposals.<sup>22</sup> The Administration has also argued that the tutorial assistance subgrants would be much more costly per pupil served than its proposal based on use of volunteer tutors.<sup>23</sup> In response, proponents of the H.R. 2614 (House) provision argue that it only adds a constrained element of parental choice to currently accepted practices of contracting with both non-profit and profit-seeking private firms for specific educational services; that all tutorial services would be provided under contracts between LEAs and the service providers which include oversight and accountability requirements; and that both the services and the range of possible providers are circumscribed

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<sup>22</sup> For information on issues and proposals related to public and private school choice, see *Federal Support of School Choice: Background and Options*, CRS Report 95-344, by Wayne C. Riddle and James B. Stedman.

<sup>23</sup> Letter from Secretary of Education Richard W. Riley to Representative William Goodling, dated October 9, 1997, and posted at the following address on the Internet's World Wide Web: <http://www.ed.gov/inits/americanreads/97014.html>.