



**Senate Committee on Health, Education, Labor and
Pensions**
**“NCLB Reauthorization: Modernizing Middle and High
Schools for the 21st Century”**

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Mr. Chairman, thank you for the invitation to speak with you today. I appreciate your commitment to education, as well as that of the other distinguished Members of the Committee.

In the coming month, millions of high school seniors will walk across the stage at graduation ceremonies to receive their high school diplomas. Auditoriums and gymnasiums around the country will be packed to the brim with proud parents and relatives. For many students, Graduation Day will be the culmination of thirteen years of study; for others, it will be the doorway to postsecondary education. But for nearly 1.2 million students who started high school with these graduating students, it will likely be just another day that they are unemployed or working at a minimum wage job because they have already dropped out of school.

Crisis and Economic Impact

Forty years ago, the United States was number one in the world in high school graduation rates; it now ranks seventeenth. The nation’s fifteen-year-olds, when measured against their counterparts in other industrialized nations, rank fifteenth in reading, twenty-third in math, and thirtieth in problem-solving skills.

This does not bode well for the future economic well-being of the nation, nor for the continued prosperity of its people. An increasingly global, technologically-based economy is demanding ever higher levels of knowledge and skills from its workers. The U.S. Department of Labor estimates that almost 90 percent of the fastest growing U.S. jobs require at least some postsecondary education.

In a world in which a meaningful high school diploma has become the *minimum* qualification necessary to obtain a good job and support a family well-being, far too many American students

are being allowed to fall off the path to prosperity. This problem has escalated to crisis proportions in thousands of the nation's high schools and is hampering the opportunities of millions of students.

Every school day, 7,000 students drop out – that's 7,000 students who could have become teachers or researchers, small business owners, or Senators. Of the students who enter ninth grade each fall, a third will not graduate from high school within four years. Another third will graduate, but without the skills and knowledge needed to succeed in college or the 21st century workplace. And only a third will graduate four years later with these necessary skills.

The numbers are even worse for minority communities in our country. Only about 55 percent of black students and 52 percent of Hispanic students graduate on time from high school with a regular diploma, compared to 78 percent of white students. Only 16 percent of Latino students and 23 percent of African-American students graduate prepared for college, compared to 40 percent of white students. And the news could get worse. Based on projections from the U.S. Census Bureau, the white population is expected to grow by only 1 percent by 2020, while the Hispanic population will increase by 77 percent and the African-American population by 32 percent. If the nation cannot do a better job of serving minority students and ensuring that they graduate from high school, the nation's overall graduation rate will fall even further as a growing number of minority students are left behind.

The cost of a poor education is not just to the individual. Analysis by my organization, the Alliance for Excellent Education, with assistance from the Met Life Foundation, reveals that if the 1.2 million high school dropouts from the Class of 2006 had earned their diplomas instead of dropping out, the U.S. economy would have seen an additional \$309 billion in wages over these students' lifetimes. And that's only for one year—we can expect the country to lose another \$309 billion in potential earnings later this year as dropouts from the Class of 2007 fail to graduate with their classmates. If this annual pattern is allowed to continue, more than 12 million students will drop out of school during the next decade at a cost to the nation of \$3 trillion.

Recent research conducted by a group of the nation's leading researchers in education and economics has shed some light on exactly how much a high school dropout costs the nation in lost taxes, increased health care costs, higher spending on crime, and greater expenditure on support programs such as welfare. According to a recent report, published by Teachers College at Columbia University, male high school graduates earn up to \$322,000 more over the course of their lifetimes than dropouts, while college graduates earn up to \$1.3 million more.

On the flip side, the Alliance projects that if the U.S. education system could raise minority high school graduation rates to the current level of whites, and if those new graduates go on to postsecondary education at similar rates, additional personal income would increase by more than \$310.4 billion by 2020, yielding additional tax revenues and a considerably improved economic picture.

While some high school dropouts might eventually find good jobs and earn decent livings, most will spend their lives in a state of uncertainty—periodically unemployed or on government assistance. Many will cycle in and out of prison. In fact, about 75 percent of America's state

prison inmates, almost 59 percent of federal inmates, and 69 percent of jail inmates did not complete high school. If we could increase the male graduation rate by only 5 percent, we could save \$7.7 billion a year through reducing crime related costs and increasing earnings.

High school graduates have better health and lower rates of mortality than high school dropouts. Individuals with higher educational attainment also are less likely to use public health services such as Medicaid. An Alliance analysis found that if every student in the class of 2005–2006 graduated from high school, the nation could save \$17.1 billion in lifetime health costs.

Federal Role and NCLB Reauthorization

The good news is that, although there is a significant crisis, we know much about how to respond. The reauthorization of the No Child Left Behind Act (NCLB) offers an opportunity for you as the education leaders in the Senate to put the "Secondary" into the Elementary and Secondary Education Act and take some critical steps towards improving our nation's middle and high schools. The realities of global competitiveness, the rapidly-diminishing prospects of those students whose high schools fail to prepare them for college and work, and the resulting widening opportunity gap all make middle and high school reform an imperative issue from an economic, national security and civil rights perspective.

The time is right for the federal government to take bold leadership in advancing secondary school reform – leadership that is appropriate to the crisis and in line with the federal government's tradition of intervening to assure the security of the nation, reduce poverty, increase equity, and advance research to inform effective practice. The increasing urgency to address the trouble plaguing secondary schools has been bolstered by an avalanche of reports recognizing the link between improving secondary education and increasing and maintaining competitiveness. Such reports include ETS's *The Perfect Storm* and National Council on Economic Education's *Tough Choices-Tough Times*.

For education reform to truly take hold and be successful, it must happen at all levels of education, from the schoolhouse to Capitol Hill. As a nation, we will never reach the goals of No Child Left Behind or make every child a graduate without significantly increasing funding to improve America's high schools—making levels of investment equal to the levels of reform. But I am not interested in making the current dysfunctional system just more expensive. Reforms must be targeted and research based and investment should match that reform.

Currently, there is little federal investment in our nation's high schools and we are getting what we pay for. As of now, the federal funding in education targets the bookends of the education system—concentrating on grades pre-K–6 and higher education. The “missing middle” is our nation's secondary schools, which receive little to no funding from the federal level. Funding for grades pre-K–6 totals nearly \$18 billion. Funding for postsecondary education totals nearly \$16 billion and that is without taking into account student loans or other tax incentives. However, funding for grades 7–12 is only about \$5 billion.

Why NCLB Doesn't Work for Secondary Schools

Unfortunately, the focus of NCLB reflects the current federal funding priorities in education – NCLB was just not set up for secondary schools. I am not here to criticize NCLB. I am here to

tell you why it does not work for high schools and how you can fix them in reauthorization. However, I believe it is critical for us to remember all of the core reasons NCLB was written and became law when we discuss the crisis in our nation's high schools. The law was written to provide all children, including poor and minority children, with access to a high-quality, standards-based education; the same reason federal action must occur at the high school level. NCLB, despite its shortcomings, has put a spotlight on the achievement gap – a startling gap that is illustrated in the shocking graduation rates I described earlier.

NCLB was designed to address grades K-8 – generally it did not even really contemplate the law's interaction with secondary schools. For example, the original Bush Administration proposal was 28 pages and only mentioned high schools twice. In addition, NAEP, known as the nation's report card, is only required in 4th and 8th grades so there is no on-going national measure of student achievement. And despite low literacy rates in the upper grades Reading First, the federal investment in reading skills, is only a K-3 program. As a result, NCLB policy is often neglectful of or even at odds with the needs of America's 14 million high school students, particularly the 6 million students who are at risk of dropping out of school each year.

NCLB at its core is about accountability for improving student achievement. However, there is not true accountability at the high school level – the law looks at test scores but not if students actually graduate. It's as if we are clocking runners in a race every mile but then do not pay attention to whether they cross the finish line. Because Adequate Yearly Progress (AYP) is focused solely on test scores, there is a perverse incentive to push out the kids who do not score well. Further, these tests generally measure proficiency in the 10th grade, not preparedness for graduation and beyond.

Despite calculation of graduation rates being part of the law, there is no accountability tied to those rates. States calculate high school graduation rates in different and, in many cases highly inaccurate and misleading, ways. Subgroup graduation rates do not count for NCLB and therefore the graduation gaps and the low graduation rates of poor and minority are not reflected in AYP determinations. Even if the graduation rates were accurate and accounted for students in subgroups, NCLB does not require schools and states to make meaningful progress in increasing graduation rates. While states, districts and schools are held accountable for getting all students proficient in math and reading by 2014, there is no such ultimate graduation goal for graduation rates. The consequence is that most states do not have meaningful goals for improving graduation rates each year and schools can make AYP while showing little to no progress on graduation rates.

In 2005, the National Governors Association (NGA) took an important first step in recognizing this problem and moving toward a solution. The NGA Graduation Rate Compact was originally signed by all fifty of the nation's governors pledging to adopt accurate and consistent measurements for reporting high school graduation rates. However, two states have since backed out of the commitment; only a few states have yet implemented the Compact rate; and because the Compact did not address accountability, definitions, rates, and growth goals for accountability are still not consistent state to state. NCLB should operationalize the Compact by requiring that graduation rates are disaggregated and increase over time as part of accountability.

Beyond accountability, the school improvement requirements or sanctions under NCLB (which only apply to Title I schools thus missing the vast majority of high schools) namely school choice and supplemental education services (SES), simply do not work at the high school level. School choice often is not applicable at the high school level. Seventy-five percent of school districts have only one high school. In cases where districts do contain more than one high school, they are often concentrated urban districts with many low-performing high schools. And in the cases where such districts do contain high performing high schools, those schools only have a handful of transfer slots available, thus ensuring no real improvement for a failing high school. In the case of SES, because Title I funding is extremely limited, very few students in high schools actually receive the services. Further, given extracurricular, social and work demands, high school students are not likely to opt-in to extra tutoring. Finally, regardless of whether or not SES and school choice even could work for high school students, neither provide the research-based improvement strategies that will increase turn around low-performing high schools.

At the root of why NCLB does not work for high schools is the fact that of Title I funds almost never even reach high schools. Title I is both the “carrot” and the “stick that gives NCLB impetus. NCLB requires all schools to report on their assessment performance every year, however sanctions only apply to and are funded for the schools receiving Title I funds. Yet only 8 percent of Title I participants are high school students. Other major funding streams are also not reaching high schools. Seventy percent of entering freshman cannot read at grade level. However, the major federal investment in reading, Reading First, stops in third grade.

Given the problems facing our nation’s secondary schools, secondary schools need systemic reforms that NCLB simply does not provide or require. Much is now known about how to renew and revitalize the country’s middle and high schools so as to ensure that more students succeed. Local school districts and the states have an undisputed and critical role to play in redesigning the nation’s secondary schools to meet the needs of the 21st century, and many of them are working hard to implement effective reforms. Schools such as JEB Stuart High School in Falls Church, Virginia or Granger High School in Yakima, Washington and programs, such as the Institute for Student Achievement (ISA) or Talent Development, in communities scattered across the nation are proving that with high expectations and the necessary support, today’s students – even those who are most highly at risk of dropping out – are up to the challenge. These schools are successfully keeping students in attendance, improving their achievement levels, and graduating them prepared for success.

NCLB Reauthorization and High Schools

For all of the reasons I described earlier, the Alliance believes NCLB reauthorization must look at multiple means to improve the nation’s high schools from accountability and improvement to literacy to critical data systems. First, I will discuss accountability and school improvement, the cornerstone of federal school reform policy.

Accountability and Improvement

To turn around low-performing high schools, NCLB must include a new system of meaningful high school accountability system that is tied closely with school improvement. While the

current structure of NCLB does not work for high schools, it can be built upon to leverage the student achievement gains and improved preparedness and graduation rates needed for students and the nation to succeed.

As discussed earlier, AYP currently does not include the appropriate indicators of a high school's performance. An appropriate measure of AYP at the high school level must include high-quality assessments that are performance-based and aligned to college and work ready standards not administered before 11th grade and consistent, disaggregated graduation rates. Both assessment performance and graduation rates should be required to increase over time. In this new system of accountability and improvement, such a measure of AYP would act as a "thermometer" to see if schools are meeting appropriate goals. In other words, it would tell us something is wrong but further diagnosis and treatment are needed.

This improved measure of AYP would determine whether or not schools enter a new school differentiated improvement system. This new system is outlined in the Graduation Promise Act (GPA), which I am pleased to say, was introduced yesterday by Senators Bingaman and Kennedy. GPA authorizes a \$2.4 billion High School Improvement and Dropout Reduction Fund to turn around America's lowest performing high schools and give students attending those schools a chance to graduate ready for college and work. The High School Improvement Fund would support more comprehensive state accountability and improvement systems at the high school level.

As stated in the GPA, under this new system of improvement, states would set up new statewide systems that utilize multiple measures or indicators to appropriately assess high school quality. Formula grants would be distributed to the states, based on poverty and graduation rates, to establish and/or expand statewide differentiated high school improvement systems guided by research and best practice. These systems would be approved by the Secretary as part of a rigorous peer-review process. States would then develop a set of school performance indicators to be used, in addition to the new measures used to determine adequate yearly progress (AYP), to analyze high school performance, determine the amount and type of support each school needs, and guide the school improvement process. States would also define a minimum amount of expected growth on each school performance indicator to demonstrate continuous and substantial progress.

States would then determine how data from the school performance indicators and AYP data will be used to place high schools in need of improvement into one of three school improvement categories. Unlike current law, how schools fit into the following categories is not determined by how long the school has been failing, but by how badly the school is performing. The first category is schools needing targeted assistance, which are schools that have just missed making AYP and are performing well on most indicators, but a targeted intervention, such as improved instruction for ELL students or a school wide literacy plan, is likely to improve student outcomes. The second category is schools needing whole school reform, which are schools that have missed making AYP by a significant margin or for multiple subgroups and are struggling on most other indicators. Such schools could benefit from a school-wide strategy to address the multiple layers of school improvement demonstrated from research and best practice. The third category is schools needing replacement which are schools that are failing large numbers of

students by most or all measures and likely have been for some time. Improving student outcomes in those schools would call for replacement with more personalized, rigorous and well-designed school models.

Under this new system, development and implementation of the improvement strategies would come from the local level. For each high school that did not make AYP and was placed into one of the three categories I just discussed district-led school improvement teams would use the school performance data, a school capacity audit and needs assessment, and data about incoming ninth graders, to develop appropriate school improvement plans. The high school improvement plans would lay out the evidence-based academic and nonacademic interventions and resources necessary to improve student achievement, reduce dropout rates, meet annual benchmarks, and make adequate yearly progress. Districts would then apply to the state on behalf of their high schools, for funds necessary to implement the high school improvement plans and complementary district wide strategies. States would award subgrants to districts with approved applications, with funds going first to those districts serving high schools needing whole school reform or replacement.

Districts and high school improvement teams would implement the high school improvement plans, directing funds first to implement the plans for schools in need of whole school reform or replacement. In subsequent years, high schools that meet the annual benchmarks on school performance indicators, even if they do not make AYP, could continue to implement the school improvement plan. High schools not meeting the annual benchmarks for two years would be redesignated into a different school improvement category and required to develop a new school improvement plan with state involvement.

Research, evaluation and technical assistance are critical for this system to work. States would be able to reserve 10 percent of funds to implement the requirements of the statute and also to build the capacity to support the school improvement efforts. The Secretary would also reserve funds to provide technical assistance and regional training programs; to develop and implement or replicate effective research-based comprehensive high school reform models; and to evaluate the program and determine the most effective interventions.

Consider a new, more appropriate measure of AYP and the High School Improvement Fund provide the foundation for true, systemic high school reform. However, alone, a new accountability and improvement system will not be successful in preparing students to graduate with the skills to succeed in post-secondary education and the workforce. NCLB must include other measures that will inform teaching, support students and provide the interventions that will ultimately improve student achievement.

Graduate for a Better Future Act

I want to thank Senator Burr for introducing the Graduate for a Better Future Act, which specifically targets the dropout factories. The legislation, authorized at \$500 million, provides states, districts, and schools with the resources and tools necessary to target interventions to high school students at risk of dropping out, improve graduation rates, and provide the rigorous curriculum necessary to high school students to succeed in postsecondary education and the workforce.

Striving Readers

As I mentioned earlier, 70 percent of 8th graders cannot read at grade level. Unfortunately, the federal investment in reading, the Reading First program, disappears after third grade, which is exactly the point at which expectations for student literacy increase. This lack of basic reading skills contributes greatly to students failing to master the knowledge they need to succeed after graduation, or simply dropping out entirely. In the last year, Congress has repeatedly discussed improving our nation's competitiveness. Clearly education plays a critical role in how economically competitive we are as a nation. I understand the Senate may soon consider legislation on this very topic. While the conversation has focused tightly on math and science, I ask you to consider the role literacy plays in the success students have in math and science. A 2006 report by ACT found that high school students with higher level literacy skills performed better in math, science, and social studies courses in college, had higher college GPA's, and returned to college for a second year at higher rates.

In response to the need, Senators Sessions and Murray have introduced the Striving Readers Act, S. 958, which would improve literacy skills by helping every state, district, and school develop comprehensive literacy plans that would ensure every student reads and writes at grade level. Authorized at \$200 million for fiscal year 2008 and increasing to \$1 billion over five years, the bill would support training teachers to use assessments and literacy strategies to help struggling readers, train leaders to support teachers, and provide reading materials for schools that lack them. NCLB must include Striving Readers so that low literacy is no longer a reason students fail to succeed in high school. I want to thank Senators Murray and Sessions for introducing this legislation and the numerous other members of this committee who have cosponsored this bill – Senators Dodd, Burr, Bingaman, Isakson, Harkin, Murkowski, and Brown.

Voluntary National Standards

To be competitive, students need to leave high school with a college- and work-ready diploma. Our students and the nation are spending billions of dollars at the college level and in the workplace on remediation because our students are not leaving high school with the necessary skills. The Alliance estimates that the amount that could be saved in remedial education costs at U.S. community colleges if high schools eliminate the need for remediation would be \$3.7 billion a year. This figure includes \$1.4 billion to provide remedial education to students who have recently completed high school. This figure also includes the almost \$2.3 billion that the economy loses because remedial reading students are more likely to drop out of college without a degree, thereby reducing their earning potential.

NCLB should establish a process for developing shared education standards to ensure that all students are held to the same high expectations aligned with the requirements of postsecondary education and the workforce. The federal government should also offer states high-quality performance assessments to regularly measure student progress towards those standards and fulfill the testing requirements of NCLB. This action would remove a significant financial burden from states and increase the quality of assessments. In addition, the federal government should provide states with incentives and supports for adopting such standards and aligning them with their key systems, such as their curricula, graduation requirements, and professional

development. The need for such shared standards has been recognized by various members of this committee in legislation introduced by Senators Kennedy, Clinton, and Dodd.

Data Systems

To turn around low-performing high schools, educators and policymakers need accurate information about how students are doing in school. High quality longitudinal data systems using individual student identifiers are critical to improving student achievement. However, most states and school districts have not yet fully implemented such systems. The federal government must help states build the infrastructure needed for data to be collected, reported to the public and used by educators to improve education. NCLB should include a major investment in grants to states to build such systems in accordance with the recommendations of the Data Quality Campaign, as well as grants to build the capacity to use data to improve teaching and learning through professional development, effective data collection and other key functions. NCLB should include \$100 million in competitive grants to build those systems, and \$100 million in formula grants to every state to align those systems with district systems and build educator capacity at state and local level to use the data to improve teaching and learning.

Thank you

Again, I want to thank the Chairman and the Committee for their leadership on this critical issue. I urge you to seize the opportunity of NCLB reauthorization to take our nation's high schools into the 21st century. The quality of high school education is increasingly central to national concerns, including securing the nation's global economic position, reducing threats to national security, and assuring equal opportunity for a population that is growing increasingly diverse. By appropriately extending its education focus to include the needs of students in middle and high schools, the federal government can move the nation from "no child left behind" to "every child a graduate."