

**DEPARTMENTS OF LABOR, HEALTH AND
HUMAN SERVICES, AND EDUCATION, AND
RELATED AGENCIES APPROPRIATIONS FOR
FISCAL YEAR 2012**

WEDNESDAY, JULY 27, 2011

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:05 a.m., in room SD-124, Dirksen Senate Office Building, Hon. Tom Harkin (chairman) presiding.

Present: Senators Harkin, Durbin, Landrieu, Reed, Pryor, Brown, Shelby, Cochran, Alexander, Moran, and Kirk.

DEPARTMENT OF EDUCATION

OFFICE OF THE SECRETARY

STATEMENT OF HON. ARNE DUNCAN, SECRETARY

OPENING STATEMENT OF SENATOR TOM HARKIN

Senator HARKIN. The Senate Appropriations Subcommittee on Labor, Health and Human Services, and Education will please come to order.

Secretary Duncan, welcome back to the subcommittee. This is obviously a critical moment to be talking about education funding. The Nation will default on its loans in just 6 days unless Congress raises the debt ceiling; we all know that. I believe that to bring Federal deficits under control, we must be willing to make some tough, but necessary, budget choices. But we must be just as willing to say no to foolish and destructive choices. And this is especially true when it comes to funding for the education of our children.

2011 CONTINUING RESOLUTION IMPACT ON EDUCATION BUDGET

The fiscal year 2011 continuing resolution eliminated 37 education programs totaling more than \$900 million. Those cuts included the successful Striving Readers initiative, the Federal Government's only comprehensive literacy program. Meanwhile, cash strapped State and local governments are slashing school budgets and firing tens of thousands of teachers. Los Angeles public schools cut their budget for summer classes from \$18 million last year to \$3 million this year. Philadelphia recently issued layoff notices to more than 1,500 of its 11,000 teachers. Many districts are short-

ening their academic calendar despite growing evidence that students should be spending more time in school, not less.

From my perspective, as chairman of both this subcommittee and also the authorizing committee, I believe the combined Federal, State, and local budget cuts pose a grave threat—let me repeat that—pose a grave threat to education reform efforts across the country just as those efforts are reaching critical mass.

Forty-eight States and the District of Columbia have collaborated to create high-quality, common education standards. Mr. Secretary, your Race to the Top initiative has jump started ambitious State-level reforms on teacher accountability, academic standards, and the better use of data in tracking student performance.

In the HELP Committee, the authorizing committee, we hope to mark up the reauthorization of the Elementary and Secondary Education Act this year. However, it is wishful thinking—wishful thinking—to expect improvements in school quality when we are laying off teachers, increasing class sizes, and reducing instructional time. To demand reform without resources is to set up students and teachers to fail.

INVESTING IN EDUCATION

Other countries understand this. China, for example, has tripled its investment in education. It is building hundreds of new universities. Even in times of austerity and shrinking budgets, smart countries do not just turn a chainsaw on themselves. They continue to invest in the future.

A good case in point is early childhood education. Experts agree that high quality pre-kindergarten education gives a critical boost to students' long-term academic success. But the quality of early childhood education programs varies widely. Many States lack any coordination.

The fiscal year 2011 appropriations bill addresses these challenges head on. And, Mr. Secretary, I applaud your efforts on this. We have provided \$700 million for your Race to the Top initiative, and working together, you very wisely, I believe, have put \$500 million of that into an early learning challenge grant program, in a competition. Studies have shown that high quality pre-school returns \$7 for every \$1 invested, but we will not be able to continue that investment if overall funding for domestic discretionary spending is slashed.

At the other end of the learning continuum, we must do everything we can to preserve the fiscal integrity of the Pell Grant program. The 9 million students who rely on Pell grants to earn a postsecondary education each year need to be assured that this aid will not vanish in the middle of their college careers. So, I was very pleased that Senator Reid's plan would virtually close the Pell shortfall for the next 2 years. I want to engage with you on that aspect also in the question period. This will greatly improve our prospects of maintaining the maximum Pell grant at its current level of \$5,550 per year.

Mr. Secretary, I appreciate the work that you are doing not only to protect our Nation's investments in education, but to challenge the States to do better, and to make sure the money is spent in ways that will truly improve student learning.

I also want to thank you for coming out to Iowa this last weekend, both for an event on Sunday regarding early childhood learning and also for Governor Branstad's education summit for Iowa. I could not be there because I had to come back here, but I read your remarks, and from all I hear, your presentation was both well received and challenging to the lawmakers and the policymakers in the State of Iowa.

With that, I will yield to my ranking member, Senator Shelby.

STATEMENT OF SENATOR RICHARD C. SHELBY

Senator SHELBY. Thank you, Mr. Chairman. Thank you for calling this hearing.

Mr. Secretary, I look forward to hearing your testimony today on the fiscal year 2012 budget request for the Department of Education.

BUDGET SAVINGS

But as we convene today's hearing, I am gravely concerned that the Department of Education has delayed some of the tough choices that are necessary to ensure national economic stability. We all understand the critical role of education in our society and its impact on our Nation's ability to compete in a global economic environment. However, our Nation is \$14 trillion in debt, and I think we must rein in spending.

FISCAL YEAR 2012 DEPARTMENT OF EDUCATION BUDGET REQUEST

In times of economic uncertainty, while every Department should be looking for savings and efficiencies within the budget, the Department of Education has requested a 13.3 percent increase from 2011. In comparison to 2010, the 2012 budget request is a 20.7 percent increase. Let me repeat that—20.7 percent increase since 2010.

The Department of Education has requested 20.7 percent more funding in 2012 than it received 2 years ago. However, in your written statement, Mr. Secretary, you state, and I quote, "Our request is a responsible budget that emphasizes both fiscal constraint and investment in education reforms that will deliver results." Mr. Secretary, how can you consider an over 20 percent increase since 2010 a responsible budget that emphasizes fiscal restraints?

RACE TO THE TOP BUDGET REQUEST

One of the key investments proposed by the Department of Education in 2012 is Race to the Top. The budget includes \$900 million for the program, an increase of \$200 million or 28.6 percent above 2011. According to the Department, Race to the Top funds are awarded to States that are leading education reform with ambitious, yet achievable plans. Specifically, Race to the Top creates incentives for State and local reforms that produce improvements in student achievement, while reducing achievement gaps.

ALABAMA AND RACE TO THE TOP COMPETITION

I understand that education reform is never easy. However, it is made significantly more difficult when States must meet prescrip-

tive requirements, in this case a de facto requirement for charter school legislation, to even compete for available funding. My State of Alabama has been a leader in innovative science, technology, engineering, and mathematics (STEM) initiatives. The Alabama math, science, and technology initiative has earned nationwide recognition as a model for increasing the math and science achievements of students, the very achievement that Race to the Top states it supports. Yet, Race to the Top only awarded STEM programming 15 points out of 500. That is troubling, Mr. Secretary.

Instead, the Department chose only States with charter schools as awardees. Despite its nationally recognized STEM program, a key component to our future workforce competing in a global economy, Alabama finished dead last in the latest round for Race to the Top funding. And although the Department of Education often states its objectives to be loose on means and tight on ends, the experience of the State—my State—clearly illustrates this is not the case.

STATE FLEXIBILITY TO INNOVATE

As the United States continues to fall behind other developed countries in reading, math, and science, States should be given the flexibility, I believe, to implement critical reforms as identified on the State and local level. The Federal Government should not mandate initiatives, but assist States in implementing programs that they deem most important to improving their students' achievement.

PELL GRANTS—GROWTH IN COST

A key component to this achievement is improving access to education. As a Nation, we are on the brink of breaking our commitment to students who wish to attend college because the Pell Grant program is on a fiscally unsustainable path. Since 2008, the cost of the Pell Grant program more than doubled. Legislative changes that expanded eligibility, combined with the dramatic rise in the number of students seeking further education due to the economic recession, have caused costs to skyrocket.

And while the 2012 budget request offers proposals to address the growth in costs, the administration also proposes a \$5.6 billion increase in discretionary Pell Grant funding. We cannot continue to throw money at this problem. Access to higher education must be protected and immediate reforms are necessary to ensure the Pell Grant program continues as the basis of our commitment to helping low income students attend college.

DISTANCE LEARNING AND STATE AUTHORIZATIONS

Finally, Mr. Secretary, I am concerned about State authorization provisions related to distance learning under the proposed program integrity regulations. While I understand the Department of Education has delayed the enforcement date related to distance learning until July 2014, as long as an institution is making a good faith effort to obtain the necessary State authorizations, I do not believe that this adequately addresses the underlying issue. Simply ex-

tending the deadline does not take into account the burdensome impact of these regulations on colleges and universities.

In addition, the definition of what “good faith” means—good faith effort is vague, and the Department’s proposed guidelines will prove costly and time-consuming.

I hope, Mr. Chairman, that we can work together to find the appropriate balance between fiscal responsibility and meaningful education investments because we need this in America.

Senator HARKIN. Thank you very much.

OPENING STATEMENT OF SECRETARY DUNCAN

Again, Mr. Secretary, welcome, and your statement will be made a part of the record in its entirety. Please proceed as you so desire.

Secretary DUNCAN. Thank you so much, and good morning, Chairman Harkin and Ranking Member Shelby. Thank you very much for having me here today to talk about education, the economy, and the need to continue investing in our future, even as Congress and the administration work together to reduce overall spending and manage our Nation’s deficit.

KEY INVESTMENTS IN FISCAL YEAR 2012 BUDGET REQUEST

Our Department of Education has submitted a formal statement on our 2012 budget proposal outlining our request to boost investments in education in order to secure America’s future. Key investments include closing the Pell Grant shortfall both through efficiencies and more resources, protecting desperately needed title I and Individuals with Disabilities Education Act (IDEA) formula funds for students most at risk, expanding reform programs, including Race to the Top and Investing in Innovation, or i3, and our early learning and college completion programs. These programs support State and local policies to accelerate achievement for all students, particularly for students most at risk, and provide adequate funding for student aid administration, now that all Federal student loans are originated through the direct loan program.

BUDGET REQUEST IN CURRENT ECONOMIC CONDITIONS

Recognizing the real fiscal challenges facing the country, we also propose efficiencies, consolidations, and cuts in programs that are not as effective as they should be. We understand that just as every family is doing more with less, so should we. But like America’s hardworking families, we also understand that you cannot sacrifice the future to pay for the present, and nothing is more important to a family’s future and to our future as a Nation than education.

INVESTING IN PROGRAMS THAT WORK

Mr. Chairman, I was in Iowa earlier this week where I talked about the fact that your State had gone from being a national leader in education to being frankly in the middle of the pack. I know that was a difficult message for citizens in Iowa to hear, but I didn’t want to sugarcoat the message because that would not be doing any favors to Iowa’s children.

And your State is not unique. In fact, America as a whole has gone from being a world leader in education to being in the middle of the pack. In this new century, the middle of the pack is simply not what we want for our children or for our country. We all have to get better, and in order to get better, we must continue to invest in programs that are working.

PELL GRANT PROGRAM

The Pell Grant program is helping millions of young people and adults get new skills for the jobs of tomorrow. Demand has skyrocketed from 6 million to 9 million grants in 4 years. College has never been more necessary for success in the global economy, but it has also never been more expensive and out of reach for an increasing number of Americans. We cannot afford to go backward. We must once again lead the world in college graduates.

WELL-ROUNDED CLASSROOM AND AFTER SCHOOL PROGRAMS

We must continue to invest in programs like title I and IDEA, and programs that help support literacy, science, and mathematics, and other subjects necessary for a well-rounded education, and provide a rich offering of high quality after-school activities. They give struggling students the extra help they need to succeed. They promote equity and safety in schools, strengthen the teaching profession, and support English language learners, students with disabilities, rural students, and other special populations.

TEACHER PREPARATION AND CLASSROOM INNOVATION

We also have to give States and districts the flexible dollars that allow for innovation and reform. Today in America, thanks to programs like Race to the Top and Investing in Innovation, States and districts are preparing teachers to teach to higher standards. They are integrating technology into classrooms, expanding arts programs for students with disabilities, and producing a new generation of teachers in science, technology, engineering, and math, the STEM fields.

SCHOOL TURNAROUND PROGRAM

Today, thanks to our School Turnaround Program, low-performing schools across the country are undergoing dramatic changes—new leadership, new staff, new curriculum, longer school days, and fresh approaches to educating students at risk of failure.

NEED TO KEEP EDUCATION SUPPORT IN TOUGH ECONOMY

From big cities like New Orleans and Chicago to small towns in Tennessee and Kansas, educators are tackling our toughest challenges, exploring new approaches to education, and building new partnerships that are making a difference in the lives of our children. At the same time, we all know States and districts are facing more fiscal pressure than ever before. Recovery Act funding has largely dried up, and local and State revenues have yet to recover from the recession. The harsh result is that too many students are losing out—losing out on music, drama, sports, science, field trips, exchange programs, summer school, and many other unique and

wonderful things that make education so worthwhile. Their generation, our children, are being cheated out of a world-class education because our generation is unable or unwilling to make the tough choices necessary to protect them.

The current debate about the debt ceiling and the deficit is not just about budgets and numbers. It is really about the fundamental promise at the heart of the middle class American dream. For much of the last century, America was a country where if you worked hard, you and your family could enjoy the basic benefits of a secure and comfortable life—a job, a home, affordable healthcare, quality education, and a secure retirement. Today, for too many Americans, these building blocks of middle class life are increasingly beyond their reach, and that is creating uncertainty and anxiety. This is not good for the country, it is not good for our families, it is not good for children and for education.

PREPARED STATEMENT

So, while I absolutely appreciate the hard work underway to cut spending and get our debt under control, I want all of us to work together to do this in a way that does not undermine the education of our Nation and the education of our children. They are counting—our children are counting on us to prepare them for the future. Business owners are counting on us to produce the workforce they need to compete in the new economy. Families are counting on us to open the doors to opportunity for every child, regardless of background, income, ability or disability. We cannot let them down. We cannot let ourselves down. The path to a strong future starts in our Nation's classrooms.

Thank you.

[The statement follows:]

PREPARED STATEMENT OF ARNE DUNCAN

Chairman Harkin, Ranking Member Shelby, and Members of the Committee: Thank you for this opportunity to talk about President Obama's fiscal year 2012 budget to help America out-educate the rest of the world. While the President's overall request for 2012 reflects broad agreement that the Federal Government has to start living within its means, we believe it is absolutely essential to keep investing in education so that, as the President put it, "every American is equipped to compete with any worker, anywhere in the world."

FINAL FISCAL YEAR 2011 APPROPRIATION

I want to begin by thanking the Chairman, the Ranking Member, and other Members of this Subcommittee for your work on the fiscal year 2011 appropriation for education. I know that you faced some tough decisions in reaching agreement on the 2011 budget, but I believe the final appropriation reflected a responsible mix of continued investment in high-priority activities as well as reductions in programs and activities based in large part on the recommendations in the President's 2012 budget.

In particular, I want to thank you for your renewed support of the Race to the Top program, which now includes the Early Learning Challenge competition. In May, I was pleased to share the podium with Secretary of Health and Human Services Kathleen Sebelius to announce a \$500 million competition that will reward States that create comprehensive plans to transform their early learning systems by coordinating services, raising standards, and increasing the effectiveness of pre-K teachers. I also announced separately that we will use the remaining \$200 million in fiscal year 2011 Race to the Top funding to support a competition involving the nine States that were high-scoring finalists but did not receive funding in the first two rounds of Race to the Top.

I'm also grateful that Congress provided \$150 million for a second Investing in Innovation (i3) competition, as well as \$30 million to keep moving forward with our Promise Neighborhoods initiative. In addition, Congress did the right thing by providing the significant funding and programmatic changes needed to maintain the \$5,550 maximum Pell Grant award, as well as essential funding for the continued effective and efficient administration of the Department's postsecondary student financial aid programs.

PRESIDENT OBAMA'S 2012 BUDGET REQUEST

Turning to 2012, we recognize that the final 2011 appropriations bill will have an impact on the levels provided in fiscal year 2012, and we are aware of the ongoing bicameral, bipartisan discussions between the Administration and congressional leadership on the Nation's long-term fiscal picture, which may result in further adjustments to funding levels for 2012. Nonetheless, the 2012 budget request for the Department of Education reflects the Administration's policy priorities and remains a good starting point for developing these funding levels. The request represents both fiscal constraint and investment in education reforms that will deliver results. The overall discretionary request for the Department of Education, excluding Pell Grants, is \$48.8 billion.

As you know, financing the Pell Grant program, which is funded through a combination of discretionary and mandatory appropriations and has faced growing demand in recent years as more and more students and working adults seek to improve their knowledge and skills, has been a real challenge for the Department and for the Congress. The President's budget responds to this challenge by proposing a combination of tough choices to generate savings from Pell Grants and student loan programs and increased discretionary funding. The overall goal of our Pell Grant proposals is to protect the \$5,550 maximum Pell Grant award, put the program on more sustainable financial footing in 2012 and beyond, and ensure that more than 9 million low-income students can continue to rely on Pell Grants to enter and complete a college education.

Our 2012 request included a Pell Grant Protection Act that was designed to rein in Pell costs and place the program on more solid financial footing by eliminating the extra Pell Grant, ending the interest subsidy for graduate student loans, and allowing the conversion of guaranteed student loans to the Department. This proposal, combined with administrative action to implement enhanced income verification procedures for Pell Grant applicants as part of improvements in the processing of the Free Application for Federal Student Aid (FAFSA), would have produced an estimated \$100 billion in discretionary Pell Grant savings over the next 10 years. The final 2011 appropriations act ended the extra Pell Grant, achieving a significant portion of the savings proposed in our 2012 request, and we will be working with the Subcommittee to build on those savings in negotiations over the 2012 appropriation.

MAKING TOUGH CHOICES

Before I describe some of the key investments we are proposing for 2012, I want to emphasize that our overall strategy for supporting effective education reform is fully consistent with the current fiscal environment. From the beginning, this Administration has envisioned a smaller Federal role focused on key priorities and structured to ensure the most productive use of the resources entrusted to us by taxpayers and the Congress. This is why, for example, our reauthorization proposal for the Elementary and Secondary Education Act (ESEA) would consolidate 38 existing programs into 11 more flexible authorities that would give communities more choices to implement their own research-based reform strategies.

We also have worked hard to identify and eliminate duplicative, unnecessary, or ineffective programs, and Congress accepted many of these recommendations in its final action on the fiscal year 2011 appropriation. Key eliminations included Even Start, Smaller Learning Communities, Educational Technology State Grants, Tech Prep Education State Grants, and Leveraging Educational Assistance Partnerships, as well as a number of smaller programs. While each of these programs undoubtedly provided meaningful benefits to students and schools over the years, we recognize that all levels of government are challenged to do more with less in these times of financial constraint. That's why our 2012 budget places a priority on spending smarter through cost-effective reforms that improve student outcomes, including by consolidating and, where appropriate, eliminating programs.

But make no mistake; the President's request for education is about investing in our Nation's future. President Obama has said that to win the future, we have to win the education race, and his 2012 budget reflects what is needed to educate our

way to a better economy. More specifically, the 2012 request for education is designed to promote reform, reward success, and support innovation at the State and local levels while maintaining strong support for students most at risk of educational failure. To meet these goals, our 2012 investments in education are divided into four significant priorities.

SUSTAINING REFORM MOMENTUM

First, our request includes an additional \$900 million for Race to the Top, which already has demonstrated how competitive rewards create powerful incentives for State and local leaders to make groundbreaking education reforms. In the first two RTT competitions, 46 States created bold comprehensive reform plans that have buy-in from Governors, legislators, local educators, union leaders, business leaders and parents. As noted earlier, we will use 2011 Race to the Top funds to make awards to high-scoring but unfunded finalists from the first two rounds of Race to the Top. The 2012 request would focus on supporting district-level reform plans while also emphasizing cost-effective strategies that improve student achievement in a time of tight budgets. The Department would also carve out a portion of funds for rural school districts to ensure that communities of all sizes and from all geographic areas are able to compete for a fair share of Race to the Top funds.

While we are very pleased that we will be able to launch the Early Learning Challenge Fund with fiscal year 2011 Race to the Top funds, we are seeking additional funding in 2012 to continue critical investments in early learning that will support model systems of high-quality early learning supports and services for children from birth to kindergarten entry. These investments would complement proposed 2012 increases for programs in the Department of Health and Human Services, including increases for Head Start and for quality child care.

The 2012 request also would encourage reform and innovation through a \$300 million request for the Investing in Innovation (i3) program to develop, evaluate, and scale up promising and effective models and interventions with the potential to improve educational outcomes for hundreds of thousands of students. The request includes priorities for science, technology, engineering, and mathematics (STEM) education and early learning, as well as an overall focus on increasing productivity to achieve better student outcomes more cost-effectively. The Department would include a refined rural priority in the i3 competition to ensure geographic diversity in the communities served by recipients, and would fund applications from providers and other entities proposing evidence-based approaches to address the unique needs and priorities of rural districts and schools. We also would take a page from the Department of Defense by creating a new Advanced Research Projects Agency: Education (ARPA-ED) that would use both discretionary and mandatory funds to pursue breakthrough developments in educational technology and learning systems, support systems for educators, and tools that improve outcomes from early learning through postsecondary education. We see this as a natural complement to the innovations found in the field through the i3 program.

In addition, our request would significantly boost funding for the Promise Neighborhoods program to \$150 million to support comprehensive, innovative and cost effective approaches to meeting the full range of student needs, drawing on the contributions of schools, community-based organizations, local agencies, foundations, and private businesses. Also, the request would maintain funding for safe school programming designed to reduce substance use, violence, and bullying while providing States with greater ability to adapt interventions to school needs and drive resources to the most unsafe schools.

GREAT TEACHERS AND LEADERS

Our second priority is teachers and school leaders. I think we can all agree that nothing is more important, or more likely to improve student achievement and other key educational outcomes, than putting a great teacher in every classroom and a great principal in every school. Our 2012 request, together with a proposed restructuring of teacher and leader recruitment and preparation programs as part of our ESEA reauthorization plan, is designed to support State and local reforms of systems for recruiting, preparing, supporting, rewarding, and retaining effective teachers and school leaders. For example, the budget includes funding for a Teacher and Leader Innovation Fund to support ambitious reforms, including innovative teacher evaluation and compensation systems, to encourage effective teachers, principals, and school leadership teams to work in high-need schools. We also are seeking funds for Teacher and Leader Pathways to expand high-quality traditional and alternative pathways into teaching, with an emphasis on recruiting, preparing, placing, and supporting promising teacher candidates for high-need (including rural) schools,

subject areas, and fields. Included in this request is a set-aside to help prepare 10,000 new STEM teachers over the next 2 years, as part of the President's plan to prepare 100,000 new STEM teachers over the next decade. In addition, the Presidential Teaching Fellows program (formerly the TEACH program), paid for with mandatory funds, would award \$10,000 scholarships to the best students attending our most effective teacher preparation programs who agree to work in high-need schools.

COLLEGE COMPLETION

Our third priority is college completion. I've already talked about the Pell Grant program, which is the foundation of Federal efforts to support both increased college access and completion for low-income students. Unfortunately, we know that far too many students who enroll in college drop out and never earn a degree. Currently, one-third of postsecondary students leave school without earning a degree and only one-half finish after 6 years. Clearly, access isn't enough, and we need a much stronger emphasis on attainment in postsecondary education. Through the \$123 million "First in the World" competition, we'll provide venture capital to develop innovative approaches to increase college completion rates and improve educational outcomes while lowering costs and time to degree for students in higher education. And through our proposed College Completion Incentive Grants program, we would provide mandatory funding over the next 5 years in grants to States to reward institutions with exemplary college completion outcomes.

The President's budget also would continue support for key existing programs supporting college access and completion, particularly for minority and disadvantaged students. The request includes funding for the Federal TRIO programs and the GEAR UP program, which helps an estimated 756,000 middle and high school students prepare for and enroll in college. The 2012 budget also provides discretionary and mandatory funding for the Aid for Institutional Development programs, which support institutions that enroll a large proportion of minority and disadvantaged students, and discretionary and mandatory funding for the Aid for Hispanic-Serving Institutions programs, which help ensure that Hispanic students have access to high-quality postsecondary education opportunities.

We also look forward to working with Congress to strengthen the Perkins Act, which shapes the Career and Technical Education program, and improve its alignment with the education reform efforts at the core of our ESEA reauthorization proposal, so that the Perkins Act is a stronger vehicle for supporting the President's 2020 college completion goal and the Department's efforts to improve secondary schools.

SUPPORT FOR AT-RISK STUDENTS AND ADULTS

Finally, the President's 2012 budget for education would maintain, and in some cases expand, the Federal Government's commitment to formula programs for students most at risk of educational failure. For example, our request for the reauthorized Title I College- and Career-Ready Students program (currently Title I Grants to Local Educational Agencies) includes increased funding to recognize and reward high-poverty districts and schools where disadvantaged students are making the most progress. The \$600 million request for a reauthorized School Turnaround Grants program would expand support for school districts undertaking fundamental reforms in their persistently lowest-achieving schools, while the budget also provides funding to help English Learners meet the same college- and career-ready standards as other students.

In Special Education, our request for Individuals with Disabilities Education Act Grants to States would help States and school districts pay the additional costs of educating students with disabilities, while our request for Grants for Infants and Families program would complement the proposed Early Learning Challenge Fund.

The 2012 request also provides significant resources to help adults pursue educational and employment opportunities, including funding for Adult Basic and Literacy Education State Grants to help adults without a high school diploma or equivalent to become literate and obtain the knowledge and skills necessary for postsecondary education, employment, and self-sufficiency, and mandatory and discretionary funds for Vocational Rehabilitation (VR) State Grants to help States and tribal governments to increase the participation of individuals with disabilities in the workforce.

We are looking forward to the reauthorization of the Workforce Investment Act (WIA) so that low-skilled adults and individuals with disabilities have access to the education and training they need to be successful in the 21st century economy. A reauthorized WIA would provide opportunities to upgrade the skills of our Nation's

workers so that they are able to compete in this new economy. One of those opportunities includes a new Workforce Investment Fund, which we are proposing in partnership with the Department of Labor, to help provide flexibility for the connections necessary to get people into good jobs or the education needed for a better job. The Fund will also provide resources to evaluate and replicate best practices so that we better serve those who have the hardest time finding work—those with limited basic skills and individuals with disabilities.

CONCLUSION

In conclusion, President Obama's 2012 budget for education is part of a comprehensive and responsible plan that will put us on the path toward fiscal sustainability in the next few years. Like every other agency across the Government, we are working hard to more efficiently steward the Department's resources. At the same time, education remains a priority for the Administration due to the critical importance of our education system for our continued economic prosperity. The Department's budget includes a responsible mix of savings and investments that will promote reform and innovation, support a comprehensive ESEA reauthorization, and encourage improved postsecondary outcomes. I look forward to working with the Committee to build support for the President's 2012 budget for education and to secure the best possible future for America by providing the best possible education for all of our children.

Thank you. I would be happy to answer any questions you may have.

PELL GRANTS AND TOTAL EDUCATION BUDGET REQUEST

Senator HARKIN. Thank you very much, Mr. Secretary. We will start a round of 5-minute questions.

Mr. Secretary, I want to talk about this 20 percent increase. I was quite surprised to hear that this budget had gone up 20 percent since 2010. So, I started looking at it, and when you look at the figures, excluding Pell grants, in fiscal year 2010, it was \$46.64 billion, fiscal year 2012, the President's budget is \$48.8 billion, which is about a 4 percent increase. So, why do we have a 20 percent increase that I heard my ranking member talk about? Is that not because of the increase in the Pell grants—the number of Pell grant money? Is that right, Mr. Secretary?

Secretary DUNCAN. Yes, sir.

UNEMPLOYMENT IMPACT ON PELL GRANT PROGRAM

Senator HARKIN. Well, I would point out, of the \$77.4 billion request for fiscal year 2012, \$28.6 billion is for Pell grants. Now, we might say, well, gee, what is going on here? Maybe we have got to cut back on Pell grants. What is going on is we have got over 20 million out of work. We've got an 18 percent—not 9—almost 18 percent unemployment rate in this country.

So, I guess what we are going to do is penalize the kids because their parents are out of work, and they have now fallen into the classification where they qualify for Pell grants, where before they probably would not have qualified for Pell grants.

INCREASED DEMAND FOR PELL GRANTS

So, I hope we keep our eye on exactly what is happening here. Most of this increase is because of the increased use of Pell grants. We have an increased use of Pell grants because we have more poor people in this country, and we have more poor people because 18 percent of people are out of work and they are not working.

So, I guess we have a choice to make. Do we cut these kids off at the knees?—Say, no, you qualify, but you are not going to get the money because we have to keep our budget down, you see, and

our spending down. Well, as I said in my opening statement, that is like turning a chainsaw on yourself. Or up my way, we say, it is like eating your seed corn, when you are cutting education.

PELL MAXIMUM GRANT

I can tell you, Mr. Secretary, this subcommittee and our committee, and I hope the Congress, will continue to be fully supportive of the maximum Pell grant.

PELL SHORTFALL AFTER ELIMINATION OF YEAR ROUND PELL

Now, again, we in the fiscal year 2011 continuing resolution, in order to free up money to make sure we had money for the basic Pell grant, we—Congress ended the year-round Pell Grant program known as “two Pells”, which allowed students to receive two Pell grants in a single year. Well, that cut into some students, but it brought down the costs of the Pell Grant program. But even with that change, the shortfall for fiscal year 2012 is about \$11 billion.

MAXIMUM PELL GRANT

So, the other proposal that Senator Reid came up with—that we worked with him on—was to eliminate the in-school interest subsidy for graduate loans as another way of making sure we could keep the maximum Pell grant for the poorest students. This proposal was also in the President’s budget.

So, when you look at the options, why, Mr. Secretary, do we choose this one? Why do we choose eliminating the in-school interest subsidy for graduate loans? Why—could you just enlighten us why that is better than other options we might have?

Secretary DUNCAN. Yes, Mr. Chairman. These are all very tough choices. In an ideal world, you know, better economic times, maybe you would not make any of these choices. But at the end of the day, we desperately want to preserve that maximum Pell grant.

ELIMINATION OF TWO PELLs AND IN-SCHOOL SUBSIDIES

And I think there are two factors at work here. One, as you said, is we simply have more young people around the country who qualify, who have need. Second, what is so critically important, I think, that we all understand is that our economy is changing. And to get the jobs of the future—there was a recent study that came out from the Georgetown University Center on Education and the Workforce. They estimate that going forward, we are going to be about 3 million college graduates short of what the economy needs—what the market is asking for. And so, at a time of increasing need, there is also increasing demand. And so, we have to keep that maximum Pell Grant at \$5,550. We have had to make tough calls. Eliminating the two Pells in one year—in an ideal world, I would never want to do that. Eliminating in-school subsidies for graduate students, again, in an ideal world we’d never want to do that. But we are trying to be fiscally responsible and share the pain and make these tough choices. We think those are the lesser of the evils, and we want to at all costs maintain that Pell maximum award at \$5,550.

Senator HARKIN. I appreciate that. And when we looked at that, the interest subsidy for graduate students, I mean, let us face it. If you are a graduate student, you are probably going to get a pretty good job when you get out. And so, in the whole spectrum of things, they could probably afford that interest payment—we hope so anyway, with all the unemployment. But hopefully our graduate students will lead us—help lead us out of this mess. But I can see where we would take on that rather than the poorer students in undergraduate school.

Secretary DUNCAN. Yes, sir.

Senator HARKIN. So, it is a tough choice, but one that we supported.

My time is up. Senator Shelby.

STRONG EDUCATION SUPPORT NEEDED DESPITE TOUGH ECONOMY

Senator SHELBY. Thank you, Mr. Chairman.

Mr. Secretary, I do not think any of us want to take a chainsaw to any program that is going to sustain our educational system and hope for our young people at all. But we are all taking a chainsaw to our budget right now to a certain extent because of our failure to act. We have a \$14 trillion debt. You probably, in putting your budget together, made some tough choices.

What we have got to do, I believe, is make some wise choices, and then carry them through. And what those all are, I am not sure, but I know that we cannot, as Senator Harkin said, we cannot starve the future. We cannot starve our children of food and sustenance. We cannot starve them of an education.

JOB AND EDUCATION REQUIREMENTS OF NEXT DECADE

Where are the jobs going to be, in your judgment, in the next, say, 10 years? Where are the jobs in America going to be, and what kind of education process do we need to get there, to have our people ready for the workforce jobs that are needed? Because at the end of the day, we've got millions of people unemployed, and a lot of them are losing hope every day.

INADEQUACY OF EDUCATION FOR CURRENT HIGH SKILL JOBS

Secretary DUNCAN. Let me give you four different statistics that sort of get at this. One is that even in this tough economic climate, we have 3 million unfilled jobs in this country. Many of those are high-skilled, high-wage jobs, and we are simply not preparing the workforce for those jobs.

EDUCATION AND JOB DEMANDS OF NEXT DECADE

Going forward, up until about 2018, we are going to need to fill 2.6 million job openings in the STEM fields—science, technology, engineering, and math. Going forward, there is an estimate that by 2018, if we stay on the current course, if we do not improve, we are going to be 3 million college graduates short of what the market demands.

And then finally, by 2018, between now and then, 63 percent of job openings will require at least some college-level education. And these are not our facts; these are all facts from outside groups, the

Bureau of Labor Statistics, and the Georgetown University Center on Education and the Workforce. So, we need an increasingly educated, high-skilled workforce with this particular emphasis on the STEM fields.

PELL GRANTS—INTEGRAL TO EDUCATION BUDGET AND GOALS

Senator SHELBY. Mr. Secretary, as we think of Pell grants, do we not have to think of them in the overall budget process of the Department of Education? In other words, they are not separate from; they are part—an integral part of the budget. Is that correct?

Secretary DUNCAN. I think, again, all of our work from, you know, early childhood education, which we will talk about—

Senator SHELBY. Everything—

Secretary DUNCAN [continuing]. K to 12 reform, all of that is to what goal? The goal, as the President has laid out, is to lead the world in college graduates by 2020. We think that—we have to educate our way to a better economy. So, the Pell grants are absolutely vital, integral, critical to getting us as a country—

Senator SHELBY. But they are not the only part of the education part.

Secretary DUNCAN. No, sir.

Senator SHELBY. An important part, yes.

Secretary DUNCAN. Yes, sir.

PELL GRANTS—HOW DO WE PAY FOR THEM?

Senator SHELBY. Now, how are we going to pay for it? That is the bottom line. In other words, the growth—we have a lot of people unemployed. We know this, which we hate. But how are we going to pay for this, because that is going to be the bottom line up here this year and in the future. What are our priorities? What are our priorities in education? What are your priorities in the Department of Education? Could you list, say, the top three or four? You are going to have to make some decisions. So do we.

SAVINGS FROM ELIMINATING TWO PELLs AND IN-SCHOOL SUBSIDY

Secretary DUNCAN. So, we are making very tough decisions. We have talked about eliminating the grad school subsidies. That is going to save the country \$18 billion over the next 10 years.

Senator SHELBY. Eighteen billion dollars.

Secretary DUNCAN. Over the next 10 years.

Senator SHELBY. Would that pay for the Pell Grant increase, for the, say, the undergraduates?

Secretary DUNCAN. Short term, it helps. I mean, this is \$18 billion with a B, this is real money.

Senator SHELBY. Okay.

Secretary DUNCAN. So, eliminating the second Pell—

Senator SHELBY. That is \$1 billion here and \$8 billion there, and it is real money?

Secretary DUNCAN. Exactly. I am learning that here in Washington.

Senator SHELBY. Okay.

Secretary DUNCAN. Eliminating the second Pell Grant each year, which again was a tough, tough call, that is \$5 billion every single

year. So, over 10 years that is \$50 billion. So, these are very real savings. You know, tough calls, not calls we wanted to make, but we had to make, we think, to preserve that maximum funding for Pell grants.

EDUCATION PRIORITIES—CRADLE-TO-CAREER CONTINUUM

To answer your question, our priorities are continuing to strengthen early childhood education, to continue to drive K to 12 reform, and to continue to invest in—to increase access to higher education. So, this is a cradle-to-career continuum, and those are the three steps along that pathway.

Senator SHELBY. But if you cannot have it all, and you cannot—I wish you could, and I wish that I were here when we owed no money as a Nation, because I think a lot of us could get together and have a lot of good ideas including investment in education. We are going to have to make tough decisions.

And thank you. My time is up.
Senator HARKIN. Senator Reed.

EDUCATION REFORM

Senator REED. Thank you very much, Mr. Chairman, and thank you, Mr. Secretary. And certainly you have an extraordinarily challenging job, given the budget pressures. I think you rightly point out the central need to fundamentally reform our education system at the elementary and secondary level, and also support it at the higher education level.

LARGE-SCALE COMPETITIVE VS. FORMULA-BASED GRANT PROGRAMS

But let me take a moment because I am concerned that the overarching strategy at the Department has been to focus almost exclusively on these untested, large-scale competitive grant programs at the expense of some proven research-based programs that have a track record of success. Race to the Top is probably the signature program. That is a novel, and I think bold, way to sort of rethink education. But it has displaced programs, for example, like the school library program.

NEED FOR LIBRARY PROGRAMS

And the Department's own evaluation has found these library programs to be extraordinarily effective over many decades. In fact, since 1965, more than 60 educational library studies have produced clear evidence that school libraries staffed by qualified librarians have a positive impact on student achievement. And I think it just follows that someone who knows about how to use the library and wants to use the library, is probably prepared for learning the rest of his or her life.

There is no plan that I have seen or has been shared with me for the Department to replace either through Race to the Top or any other program the support that we have given to school libraries. So, frankly, those programs are not only on hold, but they very well might be lost. And I do not have to remind anyone around here, the first thing to go at the local school committee meeting is, well, we will not buy any library books this year. In fact, back in

the 1990s when I got involved in this issue, librarians would come to me with books stamped ESEA, 1965, and that was 25 years after the legislation was passed. So, I am concerned about that.

TEACHER QUALITY PARTNERSHIPS

Another example, too, is the Department has a program that is trying to develop support for teachers, but there is already a teacher quality partnership grant program that was included in the Higher Education Opportunity Act. This program has high bars for reform. You are consolidating that program into a broader, more flexible funding stream, which could water down reforms.

NEED FOR FULL RANGE OF STUDENT AID PROGRAMS

And then we all are committed to maintaining student financial aid. And the President, I must admit, and your leadership has been instrumental in increasing the maximum Pell grant. However, the strength and resilience of our Federal aid programs comes through a combination of Pell, State grants, institutional aid, and student loans. And as we try to work the Pell Grant, it seems that we have done a lot to undermine the other programs. In fact, we have eliminated some of them effectively.

And so, I do not know. They are not easy questions—with easy answers. I have specific questions I will submit to you in writing. But I would just in the remaining minute ask you to comment.

FORMULA GRANT PROGRAMS FORM MAJORITY OF ED BUDGET

Secretary DUNCAN. Sure. I will try and respond succinctly.

So, the vast majority—let me be very clear—the vast majority of our funding has been, continues to be, and will be going forward, formula-based, not competitive-based. And in fact, 84 percent of our money is formula-based funding, the large—absolute large majority being title I and IDEA.

SUPPORT FOR INNOVATION AND ACHIEVEMENT

We have asked for a small percentage of money to reward excellence and courage. And what has been so interesting to me in programs like to Race to the Top is it is not just within the States that won money, like your State, but it is in a State like Chairman Harkin's, where they did not receive a dime from us, that we have seen a massive amount of change. For the first time, States are raising standards, and that benefits disadvantaged children, and rural children more than anyone. We have dummed down standards in far too many places.

And so, at the end of the day, it was not just about who received money; it was creating a climate in this country where folks started to do the right thing, started to think about high standards, or working together on better assessments, or finally turning around chronically under-performing schools that they hesitated to do before. And so, that work is going on nationwide whether States receive money or not.

SUPPORT FOR LITERACY PROGRAMS

In terms of the literacy funding and school libraries, and you have been a strong advocate there, we were very disappointed that in our fiscal year 2011 budget, funding for literacy basically got decimated, went to zero in the continuing resolution. And so, we are asking for a very substantial increase in literacy funding because that is so fundamental, so foundational to student learning. And if students cannot read, if they cannot express their ideas verbally and on paper, frankly however much else we do does not matter. And so, we are, again, in tough economic times, asking for a significant boost in that funding.

INCREASING COLLEGE COMPLETION RATES

And then again, just finally on the need for access to higher education. We want to continue, as I have said repeatedly, we want to continue to maintain that commitment. One thing we have not talked about is we are asking for some i3-like money, some creative money, to really reward institutions and States, and nonprofits that can increase college completion rates, and increase productivity, and do a better job of helping students with disabilities to graduate. So for me, access is desperately important, but it has got to be about more than access. It has got to be about attainment. It is about getting that college diploma. And we want to really invest in places that are going to build cultures around not just access, but around completion.

Senator REED. Mr. Secretary, I have specific questions I will submit to you. But I thank you again for your presence today and for your service. Thank you.

Secretary DUNCAN. Thank you.

STRENGTHENING LITERACY IN THE EARLY GRADES

Senator COCHRAN. Mr. Chairman. Mr. Secretary, thank you very much for your cooperation and participation in this hearing. I am pleased to be a co-sponsor with my friend from Rhode Island of S. 1328, The Strengthening Kids' Interest in Learning and Libraries Act. And that question that he put to you is one that I identify with.

In our State, we have a financial problem because we do not have enough tax money coming into the State government agencies, and in county and local agencies that fund education programs to take care of all of our needs. So, we were really excited when the Elementary and Secondary Education Act was approved and funding under the various titles began coming to our State, and have provided some needed financial benefits that have been used to involve students who were not learning at the rates they should have been in innovative programs, literacy programs. And the school libraries played an active role in this.

I was just curious to know what your assessment of the Department of Education's Learning and Libraries Act is having on that challenge.

MISSISSIPPI'S GAINS IN LITERACY IN EARLY GRADES

Secretary DUNCAN. Again, we want to do everything we can to enhance literacy through libraries, the classroom, and technology. That is just fundamental. And I have to tell you, I have been recently studying, Senator Cochran, Mississippi's results on increasing literacy in the early grades. And I think Mississippi is making as fast, if not faster, progress than any State in the country. And so, I am spending a lot of time talking to folks from your State, looking at what they have done right there.

And Mississippi, as you know, historically has really been maybe 50th in so many indicators. And particularly in the early grade literacy, I think you have gone from 50th as a State to 43rd. That is remarkable progress in a short amount of time. So, I think there are a lot of lessons to be learned about what you guys are doing as a State to create a culture of literacy, to better support teachers, to raise expectations.

And, again, I am always looking not at just where you rank, but rates of progress. And the progress your State is making is very significant, very encouraging, and I think has national implications. So, I thank you for the leadership there. And I thank the State for taking on such a foundational issue and making remarkable progress in a short amount of time.

FEDERAL ROLE IN EDUCATION

Senator COCHRAN. I am very proud of the fact that my parents were both involved in education. And my father was a school superintendent, and my mother was a mathematics teacher. And they both were very strong advocates for Federal assistance to education at a time in Mississippi when some people thought there were strings attached, and there were—it would strengthen the Federal role in education—and not necessarily to the benefit of the children, but to the control of the Federal Government over local decisionmaking.

I think all of that has gotten sorted out, and there is not as much suspicion now as there used to be with Federal money coming into the State, and with it, strings being attached that might not be consistent with what was really best for the children and the atmosphere they were growing up in.

LITERACY THROUGH SCHOOL LIBRARIES

But we want to continue to monitor the use of Federal dollars. And there is one program, I think it is called the Second Evaluation of the Improving Literacy Through School Libraries Program. What effect do you think this has had on the ability of school districts that do not have adequate resources for furnishing libraries? Has that provided meaningful benefits in your opinion?

Secretary DUNCAN. I would have to look at the details of that. But, again, whatever we can do to support literacy, to support early literacy, in the classroom, after school, through print, and more and more going forward, digital resources, we want to do that, and we want to give students and communities who historically have been under-served or under-resourced—disadvantaged communities—we want to give them more opportunity.

TITLE I REWARDS PROGRAM

Senator COCHRAN. Well, one area that has been brought to my attention is the title I program and a new—under new authority called Title I Rewards. I was going to ask you if you could submit for the hearing record your assessment of how that program is working.

While Mississippi has the country's highest concentration of children in poverty, it received only \$1,318 per title I eligible student. And we were looking at some comparisons with other States that had student populations about our size, and Wyoming received—and I am not fussing about the higher level, but three times as much funding for that program as our State did. I am just curious to know why is that, and if that is a disparity?

Secretary DUNCAN. We would have to look at that and look at how States are allocating title I dollars. But to answer your question directly, our Title I Rewards Program hasn't been funded yet; that is a request, so there is nothing to evaluate. But our goal is very, very clear. There are certain high poverty, often high minority districts that do an amazing job of increasing student achievement. And we want to shine a spotlight on that, we want to recognize that, we want to learn from that, and we want to incentivize that, give them more resources.

And so, I think, again, with everything we are doing, we are trying to put a spotlight on excellence. We spend billions and billions of dollars, you know, well over \$10 billion a year on title I. I want to know which districts are doing an amazing job of helping disadvantaged students be successful, and give them additional resources and learn from them. That is the purpose of that program, but it has not been funded yet, so there is nothing to evaluate. That is part of our request.

Senator COCHRAN. All right. Thank you very much. Mr. Chairman.

FIRST GENERATION STUDENTS—COLLEGE DROPOUT RATE

Senator BROWN. Thank you very much, Chairman Harkin, and, Mr. Secretary, nice to see you again.

Eighty-nine percent of first generation students—89 percent leave college without a degree after 6 years, a terrible waste of human talent, a terrible waste of the future potentially, and a terrible waste of dollars.

The Gates Foundation said 54 percent of students that leave during that 6 years cite the need to work and make money; 31 percent cite an inability to afford the tuition and fees. And this is a direct result of Government not investing the way that we should. I appreciate the President's efforts there.

You came a couple of years ago to speak to an annual—I have done it four times in my 5 years now in the Senate—annual presidents' conference. We bring in 50, 55 college presidents in Ohio, 2-year, 4-year, private, public. And you spoke 1½ years ago, 1 year plus ago there. And trying to figure this whole issue out.

What—talk to me—give me 2 or 3 minutes—what the Department is doing to target and eliminate barriers faced by first-generation students, especially community colleges.

My wife was a first-generation. Her dad carried a union card for 35 years. She was one—the oldest of four children that went to college. She graduated with very little debt. It was—I guess I can say this—30 plus years ago. And she—but she talks about calling home those first 2 years, and her parents never had any real substantive useful advice for her about how to navigate their way through college.

So, give me a couple of minutes of very specific, what this Department is doing to rescue—give those young people opportunities that they need.

HELPING FIRST GENERATION STUDENTS GRADUATE

Secretary DUNCAN. First of all, thanks so much for your passionate leadership in this area. And as we become an increasingly diverse country, as the minority population becomes the majority, our ability to help those first-generation students, not just graduate from high school, but graduate from high school truly college- and career-ready, and then to graduate from college is critical. The fate of our Nation hangs on our ability to do that well, so I cannot overstate the importance.

MAINTAINING ACCESS THROUGH PELL GRANTS

Three very specific things we are trying to do. One of the big emphases today is our desperate fight to maintain access for poor students to Pell grants, which by definition are students you are talking about. And if we scale back on Pell access based upon the research that the Gateses and many others have done, we will simply have a lot less people going on to college. And they are going to be at a huge disadvantage in this knowledge-based, globally competitive economy. So, we have to maintain that commitment and help more and more people have access.

INVESTING IN COMMUNITY COLLEGES

Second, we have not talked enough today about community colleges. We think community colleges have been this unpolished gem along the education continuum. Many are doing a magnificent job, whether it is with 18-year-olds or 38-year-olds, or 58-year-olds, folks going back to retrain and retool, in areas like green energy jobs, healthcare jobs, technology jobs. We are making an unprecedented investment—\$2 billion along with the Labor Department, to invest in community colleges that are building strong partnerships with the private sector. And, again, their work and their courses are leading to real jobs in the community.

It has been a great partnership with Labor. My Under Secretary of Education, Martha Kanter, is a former president of a community college. We have never had someone at that level with that background. We did that very strategically because we thought that was so important.

FIRST IN THE WORLD—BUILDING A COLLEGE COMPLETION CULTURE

Finally, we want to invest in the fiscal year 2012 budget in what we are calling the First in the World Competition, and to really again put significant money, over \$100 million behind States and

universities and nonprofits that can show us what they are doing to build cultures around completion, particularly for first generation college goers, folks with disabilities, those who have been denied opportunities historically. So, those three, Pell access, a huge play in the community colleges in trying to invest in place, building cultures around completion would be the three I would give to you this morning.

Senator BROWN. Thank you, Mr. Secretary.

Two other issues, one a comment, and then a last question.

FEDERAL DIRECT STUDENT LOAN ORIGINATION FEES

It is my understanding that Speaker Boehner's latest deficit reduction plan proposes to eliminate the Department of Education's ability to offer incentives to borrowers who pay their loans on time. The Federal direct student loan program, which makes so much sense in terms of students dealing with interest rates, cost, debt all of that. I know that my colleagues do not—they think it is another big Government program. It is one that saves money and helps students, and kind of throws the middle man out, if you will, the banks, and has made such a difference. But under their deficit reduction plan, college students would have to pay a higher origination fee for their Federal direct loan. I would just like you to continue to do the right thing on the Federal direct loan program. It matters so much.

TITLE VI CULTURE AND FOREIGN LANGUAGE PROGRAMS

My last question is this. The title VI international education and foreign language studies programs are, I think, especially important for us to enhance our capacity to understand foreign languages and cultures and people—increasingly important in both a globalized economy and in an uncertain world.

For 50 years, the United States has invested in building this national capacity, which is vital to our economic and diplomatic efforts around the world. I was disappointed that fiscal year 2011 appropriations contained severe reductions to international programs.

I think we—and my question is this. I would like more specifics about how you are measuring the effectiveness of this program, because I think if you really do measure it, including implementing the recommendations made by the 2007 National Academies report, the more accurately you measure this, the less likely you are going to want to, from my experience with this, be making any cuts to this program. So, if you would give me your thoughts on that.

Secretary DUNCAN. No, I really appreciate you pushing on that. And we were disappointed those funds got cut substantially in fiscal year 2011. We are looking to restore funding for that program that we think is very important. And, again, in a smaller world and a more globalized world, in order to give young people those kinds of opportunities, we want to restore funding in fiscal year 2012. That is part of our request.

Senator BROWN. Thank you.

Thank you, Mr. Chairman.

Senator MORAN. Mr. Chairman, thank you.

TEACHER AND STUDENT CLASSROOM EXPERIENCE

Secretary, I appreciate the conversation you and I had last week, and look forward to working with you to see that good things happen in education, in our country, and particularly in Kansas.

STATE AND LOCAL FLEXIBILITY

I voted against No Child Left Behind in its early creation back when I was a member of the House of Representatives for a number of reasons. I have genuine concern about what is happening in regard to teachers. And I am concerned that education becomes more of a bureaucracy as compared to a profession. I worry that the classroom experience is being diminished with focus on in-service teachers' meetings preparation as compared to that opportunity for teachers to do what they do best, teach our students in a classroom, in my view, as students learn with a teacher who loves to teach, with a student who wants to learn, and parents who encourage that through discipline and encouragement.

And I want to make sure that the programs we create here in Washington, DC, do not impede upon that educational opportunity in the classroom.

FEDERAL FUNDS AS PERCENT OF KANSAS EDUCATION BUDGET

In Kansas, we receive just over 7 percent of our education funding from the Federal Government, and yet as I talk to educators—teachers, school administrators, superintendents, board members—the amount of time, effort, energy, and cost associated with trying to figure out what the Department of Education, what the Federal Government is doing in education consumes a much more substantive amount of their time than the 7 percent of funding that is received. And I suppose one could answer, well, let us provide more money. I doubt that that is a realistic option.

STATE FLEXIBILITY AND WAIVERS

I would love to hear from you the efforts that you are—your Department is pursuing to make sure that schools have the flexibility, that the focus is on the classroom, that it is not upon paperwork and bureaucracy. And in particular, you indicated that if we do not have ESEA reauthorized by September, that you had plans to offer waivers. And I am interested in knowing what those—what you would require—what those waivers would be and what you would require of States to actually receive a waiver. And also your thoughts about the growth model, which seems to be educators' kind of solution to AYP is changing the model, and what efforts in that regard do you see beneficial?

Secretary DUNCAN. So, lots there, and I appreciate your leadership and thoughtfulness on these issues.

IMPROVING PARTNERSHIPS WITH STATES AND LEAS

First of all, one of the biggest things I am trying to do, and I want you collectively to hold me accountable, is we want our Department to be a better partner. I was a school superintendent for 7½ years, and frankly, I often chafed at the restrictions of the Federal Government—I tell the story frequently that I had to have a

huge battle with my Department of Education here for the right to tutor poor children after school in Chicago. I won that battle, but it made no sense that we had to fight the Federal Government to do the right thing by children.

So, I am acutely aware of the history there. I cannot say we are doing it perfectly every day, but I just want to assure you we are trying. And I would encourage you to talk to supes and State school chief officers, and teachers to find out if we are being more receptive and doing a better job of listening.

INCREASED EFFICIENCY THROUGH PROGRAM CONSOLIDATION

We have tried to consolidate programs, to cut from 38 to 11, to become more efficient and effective, but also just to have less points of contact, make it simpler for folks to deal with us.

FLEXIBILITY IN EXCHANGE FOR RESULTS

And then for me, the tradeoff in all of this, whether it is in our education plans, Race to the Top, i3, Promise Neighborhoods, whether it is in, hopefully, reauthorization of ESEA, and if not, potentially waivers—to me, the real tradeoff is where States and districts are raising the bar, setting higher standards, and holding themselves accountable. I am a big believer in growth rather than absolute test scores. I want to know how much students are improving each year, not whether they are at some artificial cut point.

Where States are doing the right thing, we want to provide a lot more resources and a lot more flexibility. Where folks are backing down, reducing standards, showing an unwillingness to close the achievement gap, we are going to challenge them very, very hard.

NO CHILD LEFT BEHIND

But for me, the grand trade off philosophically in all these things is, if we can hold folks accountable to a high bar, then we should give them a lot more room to move. I think the current law, I have said repeatedly, is far too punitive. It is far too prescriptive. It led to a narrowing of the curriculum, and it led to a dumbing down of standards. None of those things are good for children or teachers or education in our country, and we want to fix the law in a common sense way. Chairman Harkin is working extraordinarily hard in a bipartisan manner. We are working very, very closely with Senator Enzi, and with the gentleman to your left, Senator Alexander, someone I have great, great respect for, who held my position. I listen very closely when he speaks.

BIPARTISANSHIP APPROACH TO EDUCATION BILL

And we just hope, despite some of the dysfunction, frankly, that we see coming from our Congress, that we can think about education, while putting politics to the side, putting ideology to the side, to come up with a common sense, bipartisan bill. It is the right thing to do. And I desperately hope that will still happen.

Senator MORAN. I thank you for your answer, and I will follow up with questions in writing.

WAIVER FOR MC PHERSON USD SCHOOL DISTRICT 418

But in that regard, as I indicated to you, I am very grateful for the waiver you provided McPherson USD School District 418. They have created their own set of tests and standards, and you granted the first waiver nationwide. It is an example of what is going on in Kansas. It is very beneficial.

Secretary DUNCAN. And let me be very clear on that. That was not a gift; that was something McPherson earned. They basically said they were raising the bar above State standards. And whenever anyone is holding themselves to a higher level of accountability and challenging both adults and students to do more, we want to do everything we can to support that, and, frankly, to get out of the way. So, I appreciate their courage. That is tough, tough work. But if we had more districts and more States doing that, today education would be in a much better place. So, that was not a gift; that was something they absolutely earned. And I appreciate the example they are setting for the country.

Senator MORAN. I do criticize you for using my time to compliment Senator Alexander.

Do that when he asks his questions, I would appreciate it.

Thank you, Mr. Secretary.

Secretary DUNCAN. I will use his time to compliment you.

Senator HARKIN. Senator Landrieu.

Senator LANDRIEU. Mr. Secretary, let me begin by using some of my time to compliment Senator Alexander. I have worked with him on many issues.

And I appreciate his continued support for our bipartisan reform efforts.

I want to thank you, Mr. Secretary, for your passionate leadership and your inspirational leadership. I think you are exactly the right Secretary for the challenges before this Nation. And I thank you for being tough and not backing up and pushing this all forward.

TEACH FOR AMERICA

But I wanted to raise just a couple of questions that are concerning to me.

First, is because of the zeroing out of several critical and, in my view, superior programs, one of which, not the only one, but one of which is Teach for America. This subcommittee rallied in a bipartisan way because that program was zeroed out both by the President's budget and by a missed definition, in my view, of earmark. This subcommittee rallied, the chairman helped us, to identify 1 percent of title II-A funds last year so that some funding could move to Teach for America and other programs that were, in my view, in a very shortsighted way zeroed out.

We have a plan—90 Members of Congress have sent a letter to you and the President, urging you to set aside 5 percent this year for these high-performing, effective programs. I am going to ask you this question in a minute. But I want to put on the record, Teach for America last year, there were 48,000 applicants. Now, these applicants are the top 1 and 2 percent of students graduating from all of our universities. From 1,500 colleges they applied. They

only selected 5,000. Again, 48,000 applied, 5,280 were selected by limits of budget.

LEVERAGING POWER OF TEACH FOR AMERICA

TFA, for every \$7 in non-Federal funding, they leverage \$7 in the private sector for every \$1 that we fund them.

TEACH FOR AMERICA AND STEM INSTRUCTION

In addition, TFA is the largest single provider of STEM—science, technology, engineering, and math—teachers in the country, so science, technology, engineering, math, STEM. They are providing more teachers, so we cut this program out entirely. It makes no sense to me.

TEACH FOR AMERICA FUNDING

We have tried to say collectively, how do we get our best and brightest in the classroom? So, Teach for America comes up with a plan, mostly private sector driven, nonprofit driven. We put up a little money, they put up a lot of money, the public benefits.

I am very confused as to how we zero out a program like this. So, we want to solve this problem.

Are you committed to increasing 5 percent so that at least Teach for America has an opportunity to compete for decent enough money to get them back on track to continue to provide the technology, engineering, and math teachers this country desperately needs? If so, why? And if not, why not?

TEACH FOR AMERICA—LEADERSHIP DEVELOPMENT BENEFITS

Secretary DUNCAN. First of all, obviously I think Teach for America has done a remarkable job, not just at producing teachers and teachers in STEM areas and teachers in disadvantaged communities, but one of the huge residual benefits of the program is it has been an amazing leadership program. And many innovative superintendents, many leaders of nonprofits, many education entrepreneurs are Teach for America alums. And I think that is a benefit. When I ran Chicago Public Schools, I worked to bring TFA in. What I did not realize—I was not smart enough at the time, when we started opening really innovative new schools in disadvantaged communities—a wildly disproportionate number of the principals leading those efforts were Teach for America alumni. So, it was a really important lesson for me.

FUNDING INCREASE FOR TEACH FOR AMERICA

Senator LANDRIEU. So, do you support the 5 percent—

Secretary DUNCAN. So, we are adding—I am getting to that. We are right now, as you know, TFA successfully competed, again, not a gift, won, a \$50 million grant to invest in innovation. Had great evidence, great data on effectiveness. We were happy to do the 1 percent set-aside. I would need to sort of sit down with my staff and think about the 5 percent set aside as we move forward. I understand the need, and to give more folks the chance to compete would be interesting to me. So, I am not willing to commit to it today, but—

Senator LANDRIEU. Well, the nine of us are going to push you very hard to do that. And there are other programs, not just Teach for America, that are superior, effective, and extraordinary in their results. We should not be eliminating them.

RACE TO THE TOP ACCOUNTABILITY

And my second question, Race to the Top—
Secretary DUNCAN. I could not agree with that more.

RACE TO THE TOP AMENDMENTS

Senator LANDRIEU. Okay. My second is, every State except Georgia that won Race to the Top in the first two rounds has now amended its State reform plan in some way, usually to push back timetables or scaling, you know, scale back initiatives. According to the list of approved amendments, there were 12 winners that changed their plans 25 times.

My question is, the administration has requested an additional \$900 million for the Race to the Top, but before approving additional funding, are you going to continue to give out funding to States just to see their timelines, which they promise to meet, push back, or there are promises made, then modified, and not reach the goals that we all hope for them to do?

Secretary DUNCAN. No, we are absolutely holding them accountable for outcomes, and we are never giving waivers for material changes in applications. We have asked them to take on very, very ambitious work. If it takes a little bit longer to get that work done well, we are happy to support that. If it is bypassing that work or avoiding it, we will never grant that waiver. And to be very clear, we will withhold funding if they take that step.

I am not, frankly, seeing that. I am seeing huge amounts of courage. I am seeing extraordinarily hard work going on. Sometimes it takes a little longer, but I am interested in the outcome, in quality. And the second we see a State back away from that, we will stop funding them immediately. I want to let you know that, absolutely.

Senator LANDRIEU. Okay. And I know my time is up, Mr. Chairman, but I do have other questions. I will just submit them for the record on the TRIO program and emergency preparedness for schools. And I thank you very much.

Secretary DUNCAN. Thank you.

TEACH FOR AMERICA FUNDING

Senator HARKIN. I might just say to my friend from Louisiana that I have always been a big supporter of Teach for America. It was one of those earmarks that we used to do.

Senator LANDRIEU. But it is a federally authorized program, so I am very confused about that definition.

Senator HARKIN. Well, we put a set-aside in there for everything at 1 percent. I would be delighted to visit with you about whether that should be increased at this level or not on that set-aside.

Senator LANDRIEU. Thank you, Mr. Chairman, for your leadership.

Senator HARKIN. Well, for the competition.

Senator LANDRIEU. And it is not just for Teach for America, but there are several effective programs out there. I mean, I understand eliminating programs that do not work, but when we start eliminating the best programs that are working at even a public/private partnership, I think we have gone way off the cliff.

Senator HARKIN. Well, I could not agree more. Thank you very much.

Senator Pryor.

Senator PRYOR. Thank you, Mr. Chairman, and I want to thank the Secretary for being here today. It is great to see you. I think the last time you and I saw each other face to face was in Little Rock when you were at Little Rock Central High School doing your Courage in the Classroom kick off. I hope that was successful. We loved having you in Arkansas. Thank you very much for coming down.

PROMISE NEIGHBORHOOD PROGRAM

I want to ask about the Promise Neighborhoods program. This is a program under which the University of Arkansas at Little Rock was successful in getting a planning grant for fiscal year 2010. I am curious about your view of how the Promise Neighborhood projects are going. What kind of results you are seeing out there? What kind of end results you are looking for?

Secretary DUNCAN. This is a hugely important initiative to me, particularly in our Nation's most distressed, most disadvantaged communities. The only way we strengthen those communities is by increasing the quality of education and building community support for that work, and building the kind of wrap-around services and nonprofit partnerships that help schools to be successful in very tough communities.

PROMISE NEIGHBORHOODS FUNDING

We were fortunate to be able to fund 20 planning grants, that being one of them, around the country. We had 300 applicants, and we had many more highly creative, thoughtful proposals that I would love to have funded that we simply did not have the money for. Fiscal year 2011, we have \$30 million that we are going to use for a combination of purposes—starting to fund some programs, some communities for implementation and others to develop a plan. But we would like to see a significant increase in the investment in Promise Neighborhoods for fiscal year 2012 to really start to move to implementation across the country.

And the grants are in very poor rural communities. We have one planning grant on an Indian reservation, Native American reservation, and others in distressed inner-city communities where we can get the kind of results that Geoffrey Canada has done in the Harlem children zone in New York, dramatically transforming the life chances of young people there.

NEED FOR RECOGNIZING, FUNDING MORE PROMISING PROGRAMS

We can prove, demonstrate, that communities can come together to help the most challenged children and families be very successful academically. So, we think this is the right investment. It is

early on. There is much greater need and capacity out there than we are able to fund, and that is what is heartbreaking to me. There are people doing amazingly thoughtful work, collaborating, partnering in ways that they never would have done before. We support that effort to not scale back. And so we would respectfully ask for a significant increase in funding to move toward implementation to a wide variety of communities around the country.

Senator PRYOR. I think that is great. So, you are seeing what you would hope to see out there, which is communities coming together and really getting great things done. And now you are getting to the implementation stage.

PROMISE NEIGHBORHOOD APPLICANTS AND AWARDS

Secretary DUNCAN. And we were blown away by the number of applicants, the quality of applicants. And, again, we were able to fund 20 or 21. There were probably over 100 that I would have felt great about investing in, and I was thrilled to do the ones we did. I would love to have had the chance to invest in many other communities.

SCIENCE, TECHNOLOGY, ENGINEERING AND MATHEMATICS

Senator PRYOR. Well, thank you for that answer. Now let me also ask about STEM. This is an area that is very important. You have prioritized STEM education in your budget. My view is that focusing on STEM will absolutely translate into better jobs, better opportunities for many, many, many Americans around the country. Could you comment on that and talk about your vision for STEM education and how that impacts the future workforce?

Secretary DUNCAN. So, at its heart as we go forward, we simply have to produce a lot more young people with skills, with competency, with a passion for the STEM disciplines. That is where the jobs of the future are. That is going to be the future creators, the innovators, the entrepreneurs who are going to create jobs in fields that do not even exist today.

STEM TEACHER SHORTAGE

Right now, we have a shortage of teachers who are strong in STEM. We have had that shortage in this country probably for 20, 25, 30 years, and I want to stop admitting the problem. I want to try and fix it. And we need teachers with great passion, great interest in the STEM fields, not just for AP calculus and physics, but in third, and fourth, and fifth grade where too often students start to turn away from that, lose interest because their teachers do not know the content area, and they start to back away.

So, we have to invest significantly to get that next generation of teachers to come in to the STEM fields. The President has challenged us to recruit 100,000 new teachers in the STEM areas. We have to make sure that students in elementary school, eighth grade have access to classes like algebra I. We have to make sure that students—sophomores, juniors, and seniors—in high school have access to AP classes and college-level classes in the STEM fields.

I think we—I am a little controversial on this but, I think particularly in disadvantaged communities, in rural and remote areas,

we should be thinking about where there is a scarcity of great STEM teachers, and I think we should pay those teachers more money to take on those assignments in communities that just haven't had access. And we see across the Nation far too many young people—we just did a recent data survey—data collection with the Office of Civil Rights. There are far too many—hundreds of thousands of young people who do not have access to a class like algebra I in eighth grade. And if you want them taking, you know, AP physics or calculus down the road, you have to start them in that trajectory.

So, we have a lot of hard work here. I do not want to keep admitting the problem. I want to try to fix it.

Senator PRYOR. Right. Mr. Chairman, thank you. Before I close, I would like to say to Secretary Duncan that I know we have picked on Senator Alexander today. But I know that Senator Alexander has great respect for you because the other day he was telling me that he thinks you are the second best secretary of education we have ever had.

Thank you.

Senator HARKIN. Thank you, Senator Pryor. I must just add on the STEM stuff, Mr. Secretary, you pointed out it is so important to get down to first-, second-, third-graders who have a natural instinct and interest in science, and to encourage that at that level.

Senator Kirk.

EDUCATION SUPPORT FOR CHILDREN OF MILITARY FAMILIES

Senator KIRK. Thank you. And, Mr. Secretary, it is great to see you in this job after what you did for the Chicago Public Schools.

And I want to talk to you about—Senator Durbin and I are working on making sure that we are supporting the military families, especially around Great Lakes. We have a unique arrangement there. We are working with the chairman to make sure that we do not see a couple of school districts implode that support the military families there.

CHARTER SCHOOLS

Then there is a unique charter school initiative that we are rolling, which I think will look a little bit like a DOD school, and further support military families that may be replicable throughout the rest of the country. I wonder if you could comment on those two initiatives.

Secretary DUNCAN. Yeah. I do not know the details. I think you are working in the North Chicago community.

Senator KIRK. Right.

Secretary DUNCAN. And I will just say simply, we cannot do enough to support our military families. And as I talk to troops who are serving and who have come back from service in Iraq and Afghanistan, when I ask what can we do to help you, they consistently say, take care of my children. Educate my children. That is the least we can do.

And so, I do not know the details of the proposal. Whatever I can do to support getting high quality options, strengthening education for the children of adults who are serving our country, I want to do everything I can to help that. I have tried to travel to as many

bases and schools around military communities to really understand the challenges.

COMMON STANDARDS BENEFIT MILITARY FAMILIES

This is a little bit off topic. There are huge benefits of the common standards that folks are doing, higher standards, for as you know, military families move very frequently, and they get devastated by those moves to different States doing different things, and children finding out they are far behind. So, they have been extraordinarily supportive of the work we have done to have college- and career-readiness common standards in the vast majority of States around the country. So, at the local level, nationally, whatever I can do to help support these children, please count me in.

EXPANDING CHARTER SCHOOL OPPORTUNITIES

Senator KIRK. Thank you. Senator Durbin and I are also working on the Durbin-Kirk ALL-STAR legislation to expand charter school opportunities for kids. Right now, for example, in a community you know well, Chicago, only about 10 percent of families even have the ability to send their kids to a charter school. So, we would change the Federal funding law to allow us not just to start new charter schools, which is allowed under Federal law, but to expand current ones. And I think that would allow us to pick the winning charter systems. But can you comment on that?

Secretary DUNCAN. I think, again, that is where I have been very, very clear. I am not pro-charter; I am pro great schools. And where you have great charters, giving them the chance to replicate, to serve more students, it is silly not to do that. I have also challenged the charter community, when schools are not working, we need to hold them accountable and close them down. But where you have high-performing charters, particularly in disadvantaged communities, to give them the chance to serve more children makes absolute sense to me.

And where you have now not just sort of mom and pop charter models, you have some national models. You have folks that are replicating at a pretty significant scale in many communities and demonstrating this is not one amazing principal or one charismatic teacher, but systemically they are closing achievement gaps in very significant ways.

And where we are seeing that, I just want every child in this country to have a chance to go to a great school.

ACADEMIC YEAR CALANDAR

Senator KIRK. Yeah. Can I have you talk about a big picture item? Our basic school calendar was established two centuries ago, in the 19th century, to provide a summer break to bring in the harvest, which I think is particularly inappropriate for the now 80 percent of Americans who live in an urban or suburban area.

We generally see in school performance that the summer break will set kids back at least 1 month if not more. Give me your views on all-year school in the 21st century.

LONGER SCHOOL YEAR NEEDED

Secretary DUNCAN. I usually get booed by children when I talk about this, and adults usually—most adults cheer, not everyone.

But I think we are crazy on this as a country. The fact that our school calendar is based upon an agrarian economy makes no sense to me whatsoever. And other countries that are out-educating us today—I do not think they are any smarter than us but, a lot of them are just going to school 30, 40, 50 more days a year than we are.

Senator KIRK. Right.

Secretary DUNCAN. And they are just working a little bit harder and we need to work a little bit harder. All of you guys are in your positions because you work pretty hard. And we are just denying that opportunity to our young people. So, I am advocating everywhere I can, passionately, for longer days, longer weeks, and longer years.

And let me be clear. Particularly in the summer, not that every child needs to do that. If you have a middle class child—a child that has access to libraries and summer camps and museums, that is okay. But if that child is going to be in the street or is going to sit in front of a TV all summer, that is a devastating loss. We are trying to close achievement gaps, not expand them.

And so, to not give those students those kinds of opportunities makes no sense. So we can be, you know, thoughtful, we can be creative here, you can differentiate, you know, on what students need. But to just say we are going to stop learning in June and just hope for the best, particularly in disadvantaged communities, just makes no sense to me whatsoever.

And, Senator, I have gone too long on this. But what really troubles me is you see some districts being really creative around the use of time and technology and doing some great things. You see other districts retrenching, going to 4-day weeks, shortening the school calendar. And I understand these are tough economic times, but those are horrendous decisions, and we need more time, not less. Our children need more structure, more opportunities to learn. And if we want them to compete and to compete successfully in a global economy, right now we are putting them at a competitive disadvantage from children in India and China who are going to school 30 to 50 days more each year than children in the U.S. I do not know why we would want to put our children at a competitive disadvantage.

Senator KIRK. And, Mr. Chairman, I know there are difficulties and we have to work out payer work arrangements, but the country, I think, should begin a debate on moving to all-year school. I think that would help our performance.

And I would say the very controversial thing of joining Senator Landrieu on praising Secretary Alexander and his work.

Senator HARKIN. Thank you very much.

Senator Alexander.

Senator ALEXANDER. Well, thanks. If I had known all these compliments were going to flow, I would have come on time.

That gives me a chance to restate what I have said many times. I really compliment President Obama for his appointment of Sec-

retary Duncan, who has a real heart for the job and a lot of experience, and is willing to challenge a lot of conventions. And despite the fact he is more of a basketball player than a politician, he is a better politician than most cabinet members and than most senators. So, all of us, I included, really respect your work.

EDUCATION ACCOUNTABILITY

Let me use my time to talk with you for a few minutes about what we call accountability in the education business. And I want to read a letter—not a whole letter. I want to read a sentence from a letter or two and see whether you agree with it. I think you are generally familiar with the letter. This is a letter that the chief counsel of Chief State School Officers wrote to me and cc'd Senator Harkin, and Senator Enzi, and Senator Bingaman in May, talking about the work they have been doing, which you have been very much involved with. And I have asked, Mr. Chairman, this letter be included in the record.

Senator HARKIN. It will be.

[The information follows:]

COUNCIL OF CHIEF STATE SCHOOL OFFICERS,
Washington, DC, May 19, 2011.

The Honorable LAMAR ALEXANDER,
455 Dirksen Senate Office Building,
United State Senate, Washington, D.C. 20510.

DEAR SENATOR ALEXANDER: In anticipation of our meeting, I wanted to share with you some information regarding the important work currently being led by the States on behalf of our Nation's students. We look forward to discussing our work with you in greater detail in hopes that we might be able to partner with you and work with the Senate Health, Education, Labor and Pensions Committee to inform reauthorization of the Elementary and Secondary Education Act (ESEA).

Over the course of the past several years, and in the face of outdated and burdensome Federal requirements, States have led in developing policies and systems designed to ensure that all students graduate from high school ready for college and career. This is evidenced by myriad State-led reforms, including:

- The development and adoption of college- and career-ready, internationally benchmarked standards, including the Common Core State Standards in reading/language arts and math that have been adopted by 45 States and territories;
- The ongoing development of robust, internationally benchmarked, assessments aligned to rigorous standards, including through the two national assessment consortia (PARCC and SMARTER Balanced);
- The design and implementation of growth models for accountability, which focus schools on ensuring that students meet the goal of college- and career-readiness; and
- The development of improved standards for teacher and principal effectiveness, and teacher and principal evaluation systems focused on student achievement.

In the light of this State leadership, CCSSO spearheaded a task force of chiefs in developing a roadmap for States in looking at next-generation accountability systems. Coming out of this task force are principles that would guide new models of school and district accountability designed to better drive school performance toward college- and career-readiness; more accurately and meaningfully identify and support the range of schools; and better provide actionable data to support districts, schools, principals, teachers, parents, students, and policymakers to dramatically improve student achievement. Beyond these core requirements, States may and will develop proposals that approach these issues in different ways. Each state's proposal would be guided by the following principles:

- Fully align accountability expectations and measures to the goal of all students graduating from high school ready for college and career;
- Make annual accountability determinations for all schools based on the performance of all students;

- Base accountability determinations on student outcomes, including but not necessarily limited to improved, rigorous statewide assessments in reading and math (grades 3–8 and high school) and accurate graduation rates;
- Base accountability determinations in part on disaggregated data of student performance across relevant subgroups;
- Provide timely, transparent, disaggregated data and reports that can meaningfully inform policy and practice;
- Include, as appropriate, deeper diagnostic reviews of school and district performance, particularly for low-performing schools, to create a tighter link between initial accountability determinations and appropriate supports and interventions;
- Focus on building district and school capacity for significant and sustained improvement in student achievement toward college- and career-ready performance goals; and
- Focus significant interventions on the lowest performing 5 percent of schools (elementary and middle, and high schools) and their districts (in addition to targeted interventions to address the lowest performing subgroups and/or schools with the greatest achievement gaps).

A critical number of States are committed to moving forward in the design of accountability systems aligned to these principles and we expect a number of additional States to join in the next couple of weeks. States seek a reauthorization that supports this State leadership and innovation, and does not remain a barrier or seek to codify a single “right” answer for national education reform. We want to work with you in this effort and hope that our work helps to inform your conversations going forward. I look forward to meeting with you to discuss these issues in greater detail.

Sincerely,

Gene Wilhoit.

NO CHILD LEFT BEHIND—FLEXIBILITY AND ACCOUNTABILITY

Senator ALEXANDER. Thank you. Thank you.

In this letter, it talks about the work that the different States have done in creating common core standards, in creating a test to see where children are meeting that standard, and creating what we call growth models, which have been discussed in this hearing before, and especially in working in there that you, and I, and others care a lot about, which is finding a way to measure teacher and principal effectiveness, and especially relating that to student achievement. And it is a very impressive record.

And they go on to say this. And I had a conversation about this with one of your predecessors, Secretary Dick Riley, the former Governor of South Carolina, who supports this idea. The last—this is the sentence in the letter, it says, “States seek a reauthorization of the Elementary and Secondary Education Act that supports this State leadership and innovation, and does not remain a barrier or seek to codify a single right answer for national education reform.” Do you agree with that?

Secretary DUNCAN. Yes.

FEDERAL ROLE IN EDUCATION

Senator ALEXANDER. Well, good. Then as we go down through these, one of the difficult issues that we have as we think about fixing No Child Left Behind is this accountability section. And to what extent should the Federal Government write anything about tests, write anything about a growth model, write anything about how to measure teacher performance, because whenever we put it in law, then the Department of Education, which you and I know something about, then goes through a process of rulemaking, establishes “parameters,” which are what people in Washington think

Chicago superintendents or Governors of Tennessee ought to be doing. And it all sounds good. By the time you get it all done, you have a superintendent flying in from Denver, Chicago, or Nashville seeking the Secretary's approval for some specific growth model, which is a big waste of everybody's time.

So, what I am trying to get at—and let us take a specific example. Let us take the idea of relating student performance to teacher pay. I am a big advocate of rewarding outstanding teaching, master teachers. I think it is the Holy Grail of education. How do we reward outstanding school leaders and teachers with more pay, more honor?

TEACHER INCENTIVE FUND

And I think many of us agree on that. But my fear is that if we put it into the law, and we write a rule about it, then suddenly we will be defining what 100,000 schools will be trying to do, and I do not think it works well that way. I think what has worked well is your teacher incentive fund where you give grants and money to local school districts who then work with their teachers or work with their community and come up with different models for rewarding outstanding teaching.

So, what would your advice be as we work on fixing No Child Left Behind about how we accomplish this goal, which there is broad bipartisan support for, without running into the problem of violating what the Chief State School Officers have told us they do not want done.

Secretary DUNCAN. Yeah. These are really, really thoughtful questions, and you and I have talked about this a multitude of times.

STATE FLEXIBILITY

There is a balance we are trying to strike and where I think we are all trying to get to the same point and trying to figure out how to do that. The last thing we want to be is to be prescriptive or top down. We think the teacher incentive fund has been very effective. We think Race to the Top, frankly, was very effective. We said that student achievement had to be a significant part of teacher evaluations, but we did not say a number, and, frankly, we do not know that number. We have seen a huge amount of very creative and very, very hard work going on at the State level because we incentivize that in the right way.

So, the Council of Chief State School Officers, Gene Wilhoit, has been an amazing profile in courage. All this work of higher standards, better assessments we talk about, that is not coming from you or I. That is coming from Governors and chief State school officers having the courage to do the right thing. And I cannot overstate what a great partner they have been.

ENSURING ACHIEVEMENT GAINS WITHIN FLEXIBILITY

I think the vast majority of States are moving in the right direction now. My only concern is I do not want to give a pass to a State that somehow goes in the wrong direction. And we have a history of Governors, both Republican and Democrat, who dummied stand-

ards under No Child Left Behind, who did exactly the wrong thing for children for their State, because it was politically expedient, because it made them look good politically, but it hurt their children, hurt their education, ultimately hurt their State's economy. And nobody said anything about it. It was like they all got a great pass.

So, I want to continue to reward courage, to incentivize that. But I also think as the Federal Government, we have an obligation to make sure if a State says, you know, we are not going to do accountability, we do not care about achievement gaps, we think poor children, black or brown children cannot learn—we have to think about what the Federal responsibility is there. And I think that is—we are trying to get that fine line worked out and, again, we continue to look to your advice and guidance of how best to do that.

Senator HARKIN. And, Senator Durbin.

Senator DURBIN. Thank you very much, Mr. Chairman. Secretary Duncan, Mr. Skelly, thank you for being with us.

Mr. Secretary, thanks for the good job you are doing.

GROWTH IN RATE OF STUDENT INDEBTEDNESS

In October of last year, we reached a milestone in America that most people did not know and did not hear about. For the first time in the history of our country, student loan debt exceeded credit card debt in America.

The rate of growth of student indebtedness in our country is alarming. The indebtedness that students are incurring to go to school is holding them back in terms of their own personal ambitions and career goals, and creating a problem for us because should they default, ultimately the taxpayers will be the losers.

I and many others have voted consistently for student assistance because that is why I am sitting here today. Were it not for the National Defense Education Act enacted by this Congress out of fear of Sputnik and the Russians, I do not know if I would have gone to college or to law school. So, I have always felt that I owed it to the next generation to give them the same chance.

PELL GRANTS VERSUS STUDENT LOANS

And I have always felt the same way about Pell grants because, rather than loans, this is money that a student does not have to repay. The Pell Grant now is in the range of \$5,500. The administration believes it is important and had made it part of our budget negotiations.

And notwithstanding that, the next time I vote on Pell grants, I am going to have a very difficult time voting for them and looking at student loans the same way. And you know, because we have discussed it at length.

FOR-PROFIT SCHOOLS

And the chairman of this committee has looked at a problem that we are facing that I think many Members of Congress are ignoring; that is the growth of for-profit schools.

For-profit postsecondary education trains or educates 10 percent of the students, claims 25 percent of all Federal aid to education, and accounts for 44 percent of all student loan defaults.

What is going on is nothing short of scandalous. There are private companies that have found a way to game our system, to bring students out of high school into a so-called learning environment to burden them heavily with debt, to hand them worthless diplomas, and then watch while they fail.

We have got to do something about this, Mr. Secretary.

I cannot vote blindly for Pell grants and college student loans knowing that this Ponzi scheme is going on in the name of for-profit colleges. Now let me add, there are good ones, and I could name a few and you could, too. But there are so many bad ones, terrible schools, that are exploiting students these days.

You looked at this. You have come up with a proposal. I think it moves in the right direction, but I think it moves too slowly.

How can we in good conscience extend Pell grants and student loans knowing that this kind of predatory lending is going on, this kind of subprime mortgage pyramid is being created in the name of higher education?

WORKING TO ENSURE EFFICACY OF FEDERAL STUDENT AID

Secretary DUNCAN. Sir, your leadership in this issue and Chairman Harkin's absolute passion and leadership I think has changed the national conversation.

And what we tried to do is very simple, and I think it is a significant step in the right direction. Is it perfect? Absolutely not, and we have had those conversations. But what we want to do is where you have good actors, as you said, we think that is a good investment. We think that is good for young people and folks who have not had those kinds of opportunities before to have the chance to increase their skills, if it is leading to meaningful work, if those skills and what they are learning are real. If it is not, we simply cannot continue to invest taxpayer money anytime, but particularly in tough economic times, in those places.

So, we put in place some pretty significant rules and guidance that has been heavily challenged by many in the industry. Some of the good actors are actually supporting it, which has been interesting. But basically, trying to eliminate those programs that were not leading to good outcomes, where there is, you know, false advertising, where there are no jobs available, where you are under a mountain of debt that you cannot pay back. That is a horrendous investment. So, we have tried to move in the right direction.

I would also add, I think we have seen pretty significant changes in behavior. We have seen a number of CEOs lose jobs. You have seen institutions start to behave in some very different ways. And so, I think this is going in the right way, and I feel much more comfortable about our investment in grants and loans, more comfortable today than I did before our regulation.

ACCREDITATION AND TRANSPARENCY OF FOR-PROFIT SCHOOLS

Senator DURBIN. I have only a few seconds left. Here is what I think we have to do. You cannot expect a student or that student's family to know whether a school is worth investing in. There is no way they can tell whether the claims made by the school are true or not. It starts with the accreditation.

I have been disappointed, sadly disappointed, by the limited, if negligible, standards for accreditation. Schools that are a laughing matter end up being accredited. How is a student supposed to know? How is a family supposed to know? They assume that if they are accredited and our Federal Government will send Pell grants and college student loans through those schools, that it is a good education. Why would they not assume that?

Do we not have an additional obligation when it comes to evaluating these schools?

Secretary DUNCAN. No, I think that is a great, great point. Absolutely. And we need to look at that. You have been very, very clear on that.

I would only add one thing; what we are trying to do now is to really increase transparency so that young people and their parents can have a much better understanding of outcomes. And we think that transparency—we think there are lots of choices out there, and that transparency will hopefully drive behavior in the right way.

But your basic question about accreditation is an absolutely real one, and I will take that to heart.

REPAYMENT OF STUDENT LOAN DEBT

Senator DURBIN. And the last point I will make, if you will bear with me for 5 seconds. Student loans are different than other debts. They are not dischargeable in bankruptcy. A student loan you will carry to the grave, and that is something we ought to remember and students should be advised of before they make these decisions.

Thank you.

[The statement follows:]

PREPARED STATEMENT OF SENATOR RICHARD J. DURBIN

I want to thank the Chairman for convening this hearing to review the fiscal year 2012 budget request for the Department of Education.

We are engaged in a debate this week about our Nation's long-term fiscal outlook as we consider proposals to raise the debt ceiling. We can deal with our debt responsibly and in a balanced way.

We have to reduce the debt and deficit. But investing in education and retraining is the best way to ensure our economic recovery now and our economic growth well into the future.

President's Budget for Fiscal Year 2012

The President's fiscal year 2012 budget recognizes the importance of education to sustained economic recovery by investing in key areas:

—*Early childhood education.*—The President's budget includes \$8.1 billion for Head Start to serve an additional 1 million children and families.

The budget also includes an additional \$1.3 billion to support 1.7 million children and families through the Child Care Development Block Grant Program.

—*High-quality schools.*—The President's budget includes \$26.8 billion, an increase of 6.9 percent, for a reformed Elementary and Secondary Education Act that is focused on raising standards, encouraging innovation, and rewarding success.

—*Innovation and reform.*—The budget would invest \$1.4 billion in competitive programs that leverage scarce Federal dollars to bring about systemic reform in education.

—The Early Learning Challenge Fund would spur States to improve the quality of early childhood programs.

—A new Race to the Top program would bring resources to school districts willing to make needed reforms.

—A new “First in the World” competition would encourage colleges and universities to demonstrate success in graduating more high-need students and preparing them for employment.

These are the kinds of programs that use limited resources to inspire meaningful improvements. And it’s the students who win.

Pell Grants and For-Profit Colleges

I would like to say a word about Pell Grant funding.

The Department of Education expects demand for Pell grants to reach 9.6 million students next year, up from 6 million in 2008.

The President’s budget would maintain a maximum Pell Grant award of \$5,550 per year for these students.

As a beneficiary of Federal investment in higher education, I have always voted to support Pell Grants and Federal student loans.

But I have become deeply troubled by what I see happening in higher education today. The Federal financial aid system is in serious peril, largely because of the actions of many for-profit colleges.

For-profit colleges educate less than 10 percent of students, take in 25 percent of all Federal financial aid, and account for 44 percent of all student loan defaults.

We can’t afford to see taxpayer dollars wasted by sending billions of dollars of Pell Grants to for-profit schools, many of which aren’t providing a good return on that investment.

If we want our economy to grow, we should help low-income students attend colleges that put them on a path to success.

But it is irresponsible for us not to question whether the taxpayers are getting their money’s worth at many for-profit colleges.

And as we consider increasing funding for the Pell Grant program to meet our commitments to students, I think we should also have a serious conversation about how to ensure the value of that investment.

Taxpayers deserve some assurance that a Pell Grant invested in a student is leading to a better career, a higher salary, and a greater potential to contribute to the economy—not wasted at a for-profit college that leads to little except debt.

Conclusion

Chairman Harkin, we can invest in education in a way that’s fiscally responsible and will lead to stronger economic growth long into the future.

The Administration has provided us a good start to that conversation, and I look forward to hearing from Secretary Duncan this morning.

MISUSE OF STUDENT AID BY FOR-PROFIT INSTITUTIONS

Senator HARKIN. Well, thank you, Senator Durbin. And, again, I thank you for your great leadership in this area. You are the one who first started getting me focused on this a year and a half ago. And as you know, our authorizing committee has had a series of hearings and investigations into this going back 18 months. And what we have uncovered is just about what you just talked about. It is an invasion into the programs that we have developed to help poor kids get a decent education to prepare them for a career.

And it has turned into almost an open spigot of taxpayers’ dollars being siphoned off to hedge funds, Wall Street. You would be surprised how many of these for-profit schools are owned by Wall Street entities. And they are most interested—their interest is in the bottom line, not on education.

Well, we do not mean to get into that, but thank you for your leadership.

SPECIAL EDUCATION MAINTENANCE OF EFFORT WAIVERS

Mr. Secretary, I do not mean to hold you any longer, but just one issue I wanted to raise with you relates to special education. Obviously you know this is a long-standing interest of mine. We have discussed this many times.

Tight budgets are leading some States to ask for waivers for their maintenance of effort requirements under IDEA. I want to thank you for your close scrutiny of those requests, which should be granted only under exceptional circumstances. I also would encourage you to continue to take a close look at any additional requests and use all of the resources available to you to make sure a free and appropriate public education is not denied students with disabilities.

SPECIAL EDUCATION—FREE, APPROPRIATE PUBLIC EDUCATION

Whenever this issue comes up, I always take the opportunity for a little teachable moment perhaps and a little history lesson. I was here at the beginning of this when we did IDEA. And many States I know and some people think that IDEA, the Individuals with Disabilities Education Act, which superseded the Education of All Handicapped Children Act, was somehow a Federal mandate on States, requiring them to give a free, appropriate education to kids with disabilities.

FAPE—A CONSTITUTIONAL REQUIREMENT

Well, that is absolutely wrong. The mandate on States to have a free, appropriate public education for kids with disabilities is a constitutional mandate—constitutional. *PARC v. Board of Education*, *Pennsylvania Association of Retired Citizens v. Board of Education*. That established the principle that if a State—first of all, as we all know, States do not have to provide free education. There is no constitutional requirement for any State—Alabama, Mississippi, or Iowa, or any other State to provide a free public education. What the Constitution does say is if a State—if a State decides to provide a free public education—or FAPE, it cannot then discriminate on the basis of race, or sex, or national origin, and *PARC v. Pennsylvania*—I am sorry, it was *PARC v. Pennsylvania*—that case said that a State cannot then discriminate either on the basis of disability.

FEDERAL ASSISTANCE TO STATES IN PROVISION OF FAPE

The Federal Government came along and said, okay, if that is the case, we will try to help States with IDEA to provide some help and support. And if you want this money, if a State wants to partake in IDEA, well, here are certain requirements. No State has to take one dime of IDEA money. But if they do, they have to meet certain requirements in terms of a free and appropriate public education.

So, this is a constitutional matter. Even if we provided not one dime of IDEA money, States would still have to provide a free, appropriate public education to every kid with a disability.

Now, I say all this, Mr. Secretary, I know you understand that, but I always like to take that time to reaffirm the fact that we have constitutional obligations to provide this kind of education to our kids. And when States ask for waivers from their constitutional obligation, that ought to be looked upon with very close scrutiny as to whether or not they need that kind of waiver.

So, again, I say this in a way of thank you because I know you have looked at that with close scrutiny, and to make sure that you have continued to look at those waivers very, very closely in the future. So, I thank you for that.

And I will turn to Senator Shelby.

Senator SHELBY. Secretary, you have been very patient, but I have three quick areas I would like to get into.

RACE TO THE TOP APPLICATION SCORING PROCESS

I am concerned that the scoring process for the Race to the Top applications essentially mandates which interventions should be used by States and local school districts to improve student achievement and reduce achievement gaps. The Federal Government, I believe, should give States the flexibility to implement critical reforms as identified on the State and local level.

If Race to the Top receives funding in 2012, can I have your commitment to review the scoring process for the Race to the Top applications, and specifically reevaluate the scoring measures on science, technology, engineering, and mathematics reform efforts? And will the Department consider changes to the Race to the Top program that allow States to be evaluated on their statewide vision and reform efforts identified at the State and local level? And if not, why not?

Secretary DUNCAN. No, absolutely happy to continue to learn every single year—

Senator SHELBY. Okay.

Secretary DUNCAN [continuing]. And to get that feedback. I thought we did a very, very good job. Did we do it perfectly? Of course not. And, you know, this is a work in progress, and I'm happy to have that conversation going forward.

Senator SHELBY. Do you disagree with some of my concerns here?

Secretary DUNCAN. I do not know if I disagree. I welcome that conversation.

Senator SHELBY. Okay.

Secretary DUNCAN. We want to continue in everything we do to emphasize STEM. We did it as a competitive priority on i3 and Promise Neighborhoods and other things. So, STEM is a consistent thing there, and I think it is a fair, you know, question, and we will look at it very closely.

Senator SHELBY. So, you would review the scoring process.

Secretary DUNCAN. Yeah, absolutely, no question, not just in that area, across the board. Again, we will take what worked and what did not, and learn from it, and try and get better.

IMPACT OF COMPETITIVE-BASED FUNDING ON RURAL AREAS

Senator SHELBY. Mr. Secretary, formula versus competitive funding. The President's budget, your budget, proposal includes a substantial increase in the amount of discretionary funding that would be competitively awarded. This is a significant policy shift from the current formula grant structure. I am concerned that replacing formula-funded programs with so-called competitive programs will result in the redirection of critical Federal funds from smaller rural States or urban areas because they will not be able to compete for funding on a level playing field.

RACE TO THE TOP COMPETITION

For example, Mr. Secretary, my State of Alabama, Iowa, and Mississippi, were all shut out from the competitive Race to the Top grants. These three States did not receive any funding in round one or in round two.

Are you concerned at all that a shift from formula funding to competitive funding may not allow many high-need States and districts to receive Federal funding as illustrated in the Race to the Top?

Secretary DUNCAN. Yeah. So, we have thought about that very, very carefully. Two answers just to think about. Again, to be very, very clear, the overwhelming majority of our money will continue to be, will always be, formula-based. So, in this budget, 84 percent is formula-based.

Senator SHELBY. You see my concern here?

Secretary DUNCAN. Yes, I do.

Senator SHELBY. And I am sure it is a concern of the two colleagues of mine.

Secretary DUNCAN. Yes, sir. And so, what we have tried to do in the Investing in Innovation fund, in the Promise Neighborhoods initiative, is to really make sure that rural States and communities could compete, and we think we did that better. So, we will continue to learn. And in all of these competitions, the goal is not a fancy PowerPoint presentation. We want to invest in places that have the courage and the capacity to do some things very, very differently.

So, I am acutely aware of that, and we want to continue to strike that balance. We think in some of the other competitions, that went very well. And we want to continue to learn across the board in this area.

MATHEMATICS AND SCIENCE PARTNERSHIPS

Senator SHELBY. In the area of mathematics and science partnerships, the United States continues to fall behind, as we know, other developed countries in reading, math, and science education.

According to the 2009 Performance Reporting Ranking, the 34 countries of the Organization for Economic Cooperation and Development, the United States ranks 25th in math, 17th in science, and 14th in reading. It is unacceptable to all of us.

I am concerned, and I am sure you are, that the 2012 budget proposal does not request funding for the mathematics and science partnership program. In Alabama, my State, funds from this formula program have helped finance the highly successful Alabama math, science, and technology initiative, a leading model for math and science education reform nationwide.

In the place of the mathematics and science partnerships, the Department—your Department—proposes to create a new competitive grant program for science, technology, engineering, and math.

How does the Department intend to ensure that all States will be able to compete for math and science funding when it is no longer distributed by a formula, as my understanding? And how will this program close the growing achievement gap between the United States and our global competition?

WELL-ROUNDED EDUCATION

Secretary DUNCAN. We have talked about—a lot about STEM. Let me even broaden it a little bit further. One of my greatest concerns is that due to the current law and sometimes due to budget issues, we have seen a narrowing of the curriculum around the country. And that is probably the biggest complaint I hear as I travel, urban, rural, suburban, from students, from teachers, from parents across the board.

So, we are asking for significant investment, not just in STEM, but in literacy, in arts, in PE, in all those things to give children what we call a world-class, well-rounded education. So, we want to invest at a different level there, getting behind those States and districts, again, whatever they look like, those that are committed to giving their children a well-rounded, world-class education. And this is not just at the high school level; this has to be for first and second and third and fourth graders—

Senator SHELBY. Absolutely.

Secretary DUNCAN [continuing]. To give them a chance to build their skills. So, we are absolutely committed there, and want to put significant resources behind that effort.

Senator SHELBY. If we do not do this, where are the jobs going to come from in the future?

Secretary DUNCAN. Well, the jobs will continue to migrate.

Senator SHELBY. Thank you.

Thank you, Mr. Chairman.

Senator HARKIN. Senator Cochran. No other questions.

There are no other questions, Mr. Secretary. Thank you very much. You have been very generous with your time, and we appreciate your appearance here.

ADDITIONAL COMMITTEE QUESTIONS

And we will keep the record open for 10 days for any other questions that the Senators may have.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR TOM HARKIN

PELL GRANTS

Question. Congress continues to make a significant investment in the Pell Grant program, in order to help make college more affordable for low-income students. The number of Pell Grant recipients has grown from 6.2 million in 2008 and is projected to reach 9.6 million in 2011. At the same time, 56 percent of all bachelor degree students graduated within 6 years and 28 percent of all associate degree students graduated within 3 years. For low-income students, these rates are even lower. Taking into account the difficult budget decisions Congress is facing in fiscal year 2012, what can be done to ensure that Congress' investment in Pell Grants is fully realized and low-income students complete their degrees at higher rates?

Answer. The Department agrees that certain cost-cutting measures are necessary, but does not believe sacrificing the Pell Grant maximum award—especially considering current financial conditions—should be one of them. As evidenced in its fiscal year 2012 budget request, the Department has made maintaining the Pell Grant at its current \$5,550 maximum a priority. The Pell Grant will be an important piece of 9.6 million students' financial aid packages in the 2012–2013 academic year. Ensuring these students have sufficient financial aid to remain in school is an important first step in helping lead them to college completion.

Increasing college completion rates is another priority for the administration, and the fiscal year 2012 President's budget included a number of new programs—including College Completion Incentive Grants, First in the World, and College Access Challenge Grants—designed to help States and institutions focus on and adopt activities that are likely to contribute to higher completion rates. Some of the activities endorsed by these programs are: aligning high school graduation requirements with institutions' expectations for academic preparation; reducing a program's net price or time to degree; and providing low-income students assistance such as financial literacy training, need-based grant aid, or educational or career preparation.

WORKLOAD OF DIRECT LOAN PROGRAM

Question. Since Congress passed the Student Aid and Fiscal Responsibility Act (SAFRA) of 2010, new volume in the Direct Loan program has increased to an estimated \$124 billion in 2012, up from \$29 billion in 2009. What have been the implications of the increased workload on the Department's administration of the Direct Loan program and what has been the impact on customer service?

Answer.

Impact of SAFRA on Direct Loans Administration

The Department has undertaken a number of administrative initiatives to manage increased workload resulting from SAFRA:

- expansion of origination and disbursement capacity,
- expansion of servicing capacity, and
- addition of Government personnel to manage the increased workload. Each of these initiatives has driven increases in Department administrative costs. However, these initiatives have enabled over 2,500 domestic schools and 380 foreign institutions to smoothly transition to Direct Loans for the 2010–2011 award year, and millions of new Direct Loan borrowers to be successfully brought on by the Department's five private-sector loan servicers.

Origination and Disbursement

In anticipation of increased Direct Loan volume, in February 2010, the Department revised its Common Origination and Disbursement (COD) system contract to accommodate projected increases in Direct Loan originations. The Department further revised the COD contract in June 2011 based on updated projections of Direct Loan volume. A Final Management Information Report issued on September 16, 2010, by the Department's Office of Inspector General, "Federal Student Aid's Efforts to Ensure the Effective Processing of Student Loans Under the Direct Loan Program," notes that Federal Student Aid took all necessary actions to ensure processing of student loans as a result of SAFRA, and credits COD with successfully providing the capacity to transition to 100 percent Direct lending.

Loan Servicing

In order to accommodate expected increases in loan volume, foster improved performance through competition, and prepare for the eventual expiration of the existing loan servicing contract, the Department awarded four new servicing contracts in June 2009, known collectively as the Title IV Additional Servicers (TIVAS). The four vendors receiving awards were American Education Services/Pennsylvania Higher Education Assistance Agency (AES/PHEAA); Great Lakes Education Loan Services; Nelnet, Inc.; and Sallie Mae Corporation (SLM). These vendors began servicing FFEL loans purchased by the Department in September 2009 and new Direct Loans starting June 2010. Together, these vendors provided a broad base of servicing capacity well equipped to handle the dramatic increase in workload post-SAFRA. As of June 2011, these four vendors held 50.4 percent of the total loan volume managed by the Department. In accordance with SAFRA, the Department is currently working on awarding additional performance-based Not-For-Profit loan servicer contracts, which will further expand loan servicing capacity.

Government Personnel

In order to properly manage the increased loan portfolio, the Department increased its FTE from fiscal year 2010 through fiscal year 2011 after undergoing a 4 percent decrease in FTE from fiscal year 2008 to fiscal year 2009. In response to SAFRA, over 100 new Federal staff have been added to handle an increased level of contract oversight, school reconciliation support, school training, and call center management. The increase represents a 9 percent rise from fiscal year 2009 level; over the same period, the number of Direct Loan schools nearly doubled; the number of new Direct Loan originations grew by 158 percent, and the Government-held servicing portfolio grew by 132 percent.

Additional Federal staff are needed in fiscal year 2012 to effectively manage up to 30 or more new Not-For-Profit contracts during fiscal year 2012 through fiscal year 2013.

Budget Impact

In order to meet the demands of the increased portfolio, the Student Aid Administration Account has required a budgetary increase of 74 percent for COD and 198 percent in total servicing, including Not-For-Profit and For-Profit servicers, from 2009 to 2012. As the number of borrowers serviced continues to grow, servicing costs will continue to rise. These costs are not only necessary to manage effectively the student loan portfolio and provide quality customer service; they are essential for achieving approximately \$67 billion in savings over the next 10 years, according to CBO estimates, for the transition of all Federal student loan originations to the Direct Loan program.

Impact on Consumer Service

There were no negative impacts to customer service during the transition. Schools have generally been highly satisfied with the Direct Loan process and the Department is aware of no students who have been unable to receive Federal Student Aid due to the transition. In fact, by uniting all Department-held loans for a single borrower with a single servicer, the Department has improved customer service for 1.6 million student loan borrowers.

In addition, increased workload stemming from SAFRA has not prevented the Department from continuing efforts to improve its service to students and borrowers who have been traditionally under-represented in postsecondary education. For example, the Free Application for Federal Student Aid (FAFSA) Completion program has allowed the Department to work with State and local education agencies and secondary schools to increase the number of completed FAFSA applications. Also, by reducing the number of questions an applicant must answer and streamlining financial information through the IRS Data Retrieval tool, FAFSA simplification efforts have made it much easier for applicants to apply successfully for Federal student aid.

TEACHER INCENTIVE FUND—VANDERBILT AND RAND STUDIES ON PERFORMANCE-BASED PAY

Question. Last year, the Center for Performance Incentives at Vanderbilt University found little evidence to support a primary goal of the Teacher Incentive Fund (TIF)—that rewarding teachers for improved student test scores would cause scores to rise. This rigorous evaluation funded by the Department raises serious questions about the idea behind this program. And, just last week a RAND evaluation of New York City's program came to similar conclusions about performance-based pay. New York permanently canceled its program after the study's release.

I understand that the Vanderbilt and RAND studies didn't examine all of the performance-based pay systems across the country. However, they raise the question whether we should continue to provide \$400 million per year for TIF given the need to reduce deficits and the significant amount of funding for these grants already.

Mr. Secretary, what is your view of these evaluations of performance-based pay programs, and how will they shape your Department's thinking and priorities in fiscal year 2012?

Answer. These evaluations provide important information about some of the challenges schools, districts, and States face when reforming human capital systems to focus on improving student outcomes. But the Teacher Incentive Fund (TIF) differs in important ways from the performance-pay programs studied by Vanderbilt and RAND. In addition, the Department plans to significantly strengthen TIF as part of the 2012 new grant competition.

Performance-based Compensation Systems

While all of the 2010 TIF grant cohort projects include as one statutorily required element the development and implementation of performance-based compensation systems (PBCSs), these TIF projects support broader activities than just making performance-related payments to effective (as measured by student achievement gains and observations) teachers and principals. As you mentioned, the Vanderbilt study focused on awards to teachers based solely on increases in student achievement. Teachers received no additional support, such as mentoring or professional development, and the awards were not permanent or incorporated into district-wide human capital management systems. Finally, although about two-thirds of teachers participating in the study expressed support for the general notion that teachers should receive additional compensation if their students show outstanding achieve-

ment gains, a similar proportion felt that the program in which they participated did not do a good job of distinguishing effective and ineffective teachers. Likewise, large majorities agreed that the program ignored important aspects of performance not measured by test scores.

In the 2010 TIF competition, on the other hand, in order to be eligible for a grant, applicants had to provide evidence that the proposed PBCS is aligned with a coherent and integrated strategy for strengthening the educator workforce, including the use of data and evaluations for professional development and retention and tenure decisions in the LEA or LEAs participating in the project during and after the end of the TIF project period. In addition, applicants could receive a competitive priority by demonstrating that their proposed PBCS is designed to assist high-need schools in:

- serving high-need students,
- retaining effective teachers in teaching positions in hard-to-staff subjects and specialty areas, such as mathematics, science, special education, and English language acquisition, and
- filling vacancies with teachers of those subjects or specialty areas who are effective or likely to be effective.

Applicants also had to provide an explanation for how they would determine that a teacher filling a vacancy is effective or likely to be effective, and demonstrate the extent to which the subjects or specialty areas they propose to target are hard-to-staff. Lastly, applicants had to demonstrate that they would implement a process for effectively communicating to teachers which of the LEA's schools are high-need and which subjects and specialty areas are considered hard to staff.

New York City's Schoolwide Performance Bonus Program

The RAND study similarly found that New York City's Schoolwide Performance Bonus Program had limited impact. The New York City Department of Education set annual performance targets for each participating school's "Progress Reports," which are based in part on student growth. Schools meeting or exceeding those targets were eligible to receive a school-wide award of up to \$3,000 per union-represented staff member. A committee at each school determined how to distribute the funds. However, the study noted that over one-third of teachers did not understand basic aspects of the program, "including the target their school needed to reach, the amount of money their school would receive if they met their target, the source of the funding, and how committees decide on distribution plans." In addition, teachers reported that the bonus was too small to provide any incentive for changing behavior. Also, most compensation committees chose to distribute bonuses equally across all school staff members, further limiting the potential for such a policy to reward and motivate improved performance. Research suggests that performance-based incentive plans work best when participating individuals have a strong understanding of the program, when participants expect that their own effort can control the outcome, and when rewards are sufficient enough to drive action. New York City's teacher bonus program was not strong in these areas. Even the RAND report's authors question whether the NYC system was sufficiently designed to motivate or effect change.

Teacher Incentive Fund Performance-based Compensation Systems

In contrast, under TIF, a grantee must show that it has a plan for effectively communicating to teachers, administrators, other school personnel, and the community at-large the components of its PBCS. Grantees must also provide evidence of the involvement and support of teachers and principals and the involvement and support of unions in participating school districts (where they are the designated exclusive representatives for the purpose of collective bargaining) that is needed to carry out the grant. Finally, TIF emphasizes performance-based compensation systems that include compensation that is differentiated and substantial. The RAND study authors noted that these characteristics were integral to successful implementation of performance-based compensation reforms.

Creating Innovative Human Capital and Evaluation Systems

In the 2012 TIF competition, the Department will provide support for State and school district efforts to develop and implement innovative approaches to creating human capital and evaluation systems that improve teacher and leader effectiveness and student outcomes. This new competition would emphasize supporting, retaining, and rewarding teachers and principals who raise student achievement. The Department would continue to require TIF grantees to develop and implement these human capital and evaluation systems with meaningful input and support of teachers and school leaders.

PROMISE NEIGHBORHOODS

Question. Promise Neighborhood grantees have been fully engaged and supported by State and city public officials, as well as private players. In fact, all 21 of the federally funded Promise Neighborhoods planning grantees have leveraged nearly \$7 million in matching funds from public and private sources—including investment from foundations. Their planning efforts are progressing and generating a ground swell of local support.

How are the current grantees planning to leverage existing resources to achieve the goals of their local communities?

Answer. There are a number of examples where the 2010 Promise Neighborhoods grantees are leveraging existing resources to help meet the objectives of their planning grants. In Worcester, Massachusetts, the Main South Promise Neighborhood is partnering with Clark University in several ways. Clark is developing the longitudinal data system required by the program, and its students serve as formal and informal mentors to young residents in the neighborhood. Developed as a partnership between Clark and Worcester Public Schools, University Park School is an effective, comprehensive high school within the Main South neighborhood. Clark also waives tuition for any resident of Main South who has lived in the neighborhood for at least 5 years and who meets the university's entrance requirements.

In the rural Mississippi Delta, the Indianola Promise Community is partnering with Mississippi State's National Strategic Planning and Analysis Research Center, a grantee of the Department's State Longitudinal Data Systems program. Mississippi is one of the few States with a data system that links K–12 and postsecondary data through the use of a unique identifier. The partnership with the Data Center, specifically the opportunity to leverage the Department's investment in the State's longitudinal data system, creates an opportunity for the Indianola Promise Community to manage outcomes at the student level from preschool through college.

MAXIMIZING PUBLIC AND PRIVATE PARTNERSHIPS

Question. Additionally, how can we maximize this public/private partnership moving forward?

Answer. Peer reviewers of Promise Neighborhoods applications evaluate the extent to which applicants would leverage and integrate high-quality programs and related public and private investments into their work. We can maximize these types of partnerships by placing a similar priority in other Department grant programs. Moreover, guidance on productivity¹ released by the Department's Office of Innovation and Improvement early this year identified additional opportunities for supporting such partnerships. State and local health and human services agencies, departments of public safety and parks and recreation, community-based organizations, businesses, and other entities have a significant stake in the success of our children and youth. Many have long provided academic and enrichment opportunities in the form of before- and after-school programming, apprenticeships, nursing, or counseling support. Breaking down barriers and better aligning and using community resources may also help school systems identify and access low-cost services or facilities. Governors, working with policy-makers and educators, can put in place State-level policies addressing these issues or issue guidance to districts, schools, nonprofits, and institutions of higher education that encourages collaboration and leverages public-private investments as part of school reform strategies.

RECOVERY ACT OF 2009 AND THE EDUCATION JOBS FUND OF 2010

Question. Mr. Secretary, I know that you share my concern about the state of the economy and the continuing challenges that many families are facing, especially when it comes to finding jobs. In my opinion, the best way to solve our debt crisis is to get more people working, because when people are working they pay more taxes, buy more goods, and keep our economy growing.

Jobs are a particular concern in our Nation's schools, where we're hearing more reports every day of possible teacher layoffs. It's timely, therefore, to take a look back at the Recovery Act of 2009 and the Education Jobs Fund of 2010. Some have said that today's unemployment figures prove those investments were a waste of money. However, in my home State of Iowa, these bills have helped save or create almost 4,000 education-related jobs (960 Ed Jobs through March 2011 plus almost 2,800 education-related jobs through the Recovery Act).

That's the story in Iowa. What is your assessment of these bills from a national perspective?

¹ <http://www.ed.gov/oii-news/increasing-educational-productivity>.

Answer. I share your concern about our economy and how it affects our Nation's families and children. To do our part to minimize the effects of these difficult times on students, we worked with you to provide States and school districts with unprecedented resources in the Recovery Act and through the Education Jobs Fund to save and create education jobs. Based on State-reported data, we estimate that the Recovery Act and the Education Jobs Fund have funded over 400,000 educator jobs since February 2009. We know that the strain of the economy continues to force States and school districts to make difficult choices, and we know that these two efforts helped to save our students from an even heavier burden that would have been felt in our Nation's schools.

COST SAVINGS AND EFFICIENCIES INITIATED BY THE DEPARTMENT OF EDUCATION IN
FISCAL YEAR 2009 AND FISCAL YEAR 2010

Question. The fiscal year 2012 budget request identifies savings in program administration related to decreased travel costs generated by a greater use of teleconferencing. In fiscal years 2009 and 2010, what actions did the Department take to create efficiencies in its programs, eliminate lower-priority spending and realize other cost savings?

Answer. The Department took a variety of actions in 2009 and 2010 to create efficiencies in its programs, eliminate lower-priority spending, and realize other cost savings. These included the following items:

- In 2009, the Department closed its office at the U.S. Mission to the United Nations Educational, Scientific, and Cultural Organization in Paris, France and eliminated its attaché position.
- In 2009, the Department closed the National Institute for Literacy, which provided national leadership on issues related to literacy, and coordinated literacy services and policy. Funding for the Institute ended in fiscal year 2009. The Institute's broad mission and lack of clear management oversight led to a diffuse and incoherent system of delivery, as well as duplication of efforts with other Department of Education and Federal offices. The functions of the Institute are more efficiently being carried out by other Department offices, primarily the Office of Vocational and Adult Education.
- The Department eliminated the Secretary's Regional and Deputy Regional Representatives in the Department's 10 regional offices. These positions were primarily used for communication and outreach, which may be done as effectively by other personnel.
- The Department undertook two steps to reduce the cost of information technology equipment it leases. The number of computers used per person was reduced from 1.5 to 1.1, with a total reduction of 1,600 computers. In addition, the number of printers on employees' desktops was reduced from 5,700 to 1,400.
- Starting in fiscal year 2010, the Department required any conference or meeting occurring in Washington, DC with an attendance of 250 or less to take place in either of the Department's two large capacity auditorium facilities.
- In fiscal year 2010, the Department negotiated with one of its Direct Loan servicing vendors to eliminate transfer fees for migrating servicing accounts between this vendor and any other Direct Loan servicing vendor.

COST SAVINGS PLANNED FOR FISCAL YEAR 2011 AND FISCAL YEAR 2012

Question. What additional steps will be completed in fiscal year 2011, and what other steps are proposed in the fiscal year 2012 budget request?

Answer. The Department will complete additional cost savings actions in 2011 and is planning more in 2012, as follows:

- The Department plans to save 7 percent of contract spending by the end of 2011, using 2008 acquisition expenditures as a base. Some actions already taken have been described in the response for fiscal year 2009 and fiscal year 2010. The Department will continue to achieve contract savings by ending contracts that do not meet program needs or projects that are no longer needed, restructuring high-risk cost reimbursement contracts as fixed price contracts, improving contract terms and conditions, improving the procurement process, and investing in a highly skilled acquisition workforce.
- In 2011, the Department partially implemented an initiative to use double-sided printing as the default printing option. Currently, 25 percent of printing is two-sided. The Department is moving towards using double-sided printing 50 percent of the time.
- Due to the elimination of several programs administered by the Office of Safe and Drug-Free Schools (OSDFS), and to maximize limited resources, the Department is planning to move the remaining programs administered by OSDFS

programs into the Office of Elementary and Secondary Education (OESE). This change will provide new opportunities for staff from OESE and OSDFS to work together to improve school environments and support children's learning, health, and well-being.

—The Grant Award Notification (GAN) process provides the Department's grantees with official documentation of their Federal grant award and instructions for grants management. This process is currently paper-based, requiring a traditional signature from the Department's representative and mailing the 2 copies of the signed GAN to the grantee. In fiscal year 2012, the Department will provide mechanisms for:

- Electronically signing the GAN documentation sent from the Department to grantees;
- Electronically transmitting the GAN documentation from the Department to grantees; and
- Electronically filing and retrieving the GAN documentation.

QUESTIONS SUBMITTED BY SENATOR DANIEL K. INOUE

ETHNIC AND IMMIGRANT STUDENT PERFORMANCE

Question. In Hawaii, Filipino Americans represent the second largest ethnic group in the public school systems but are consistently ranked second to last in the Hawaii State Assessments. These tests, in which Filipino students in 2010 scored only 69 percent in reading and 51 percent in math proficiencies, indicate that these students are in need of additional assistance throughout their primary, K–12, education. Furthermore, a study conducted by the John A. Burns School of Medicine, in Honolulu, indicated a significant connection between low Filipino cultural identification and low family support with delinquency. What new creative efforts are being considered by your administration to improve student performance within large ethnic and recently immigrated communities, such as the Filipinos, while maintaining the integrity of their cultural values?

Answer. The Department is focusing much of its current efforts on improving student performance, as detailed below. Most of these efforts are not focused on particular ethnic or recently immigrated communities, but are designed to improve performance in a wider range of student populations.

Many of the top priorities of the Department are found in A Blueprint for Reform, which proposes a reauthorized Elementary and Secondary Education Act intended to help give all children the world-class education that they deserve and that America needs to ensure future economic prosperity. The Blueprint focuses on key priorities aimed at improving educational outcomes for all students, including:

- recognizing and rewarding student academic growth and school progress;
- ensuring that students complete high school prepared for college and a career, based on rigorous, State-developed standards;
- putting a great teacher in every classroom and a great principal in every school; and
- focusing intensive support and interventions on our lowest-performing schools that serve our neediest students and communities, including the “dropout factories” that account for one-half of the estimated 1 million students who leave school each year without a high school diploma.

Together, these changes support the goal of ensuring that, by 2020, the United States will once again have the highest proportion of college graduates in the world—a key goal not only for restoring and increasing our economic prosperity, but also for securing the more equal, fair, and just society envisioned by our Nation's founders.

More specifically, the Department is emphasizing the following goals:

Sustaining Reform Momentum.—The Department will reform America's public schools to deliver a 21st century education that will prepare all children for success in the new global workplace, building on the achievements already gained by the Race to the Top and Investing in Innovation (i3) programs. Race to the Top will focus on supporting district-level reform plans while also emphasizing cost-effective strategies that improve student achievement in a time of tight budgets. The i3 program will prioritize science, technology, engineering, and mathematics (STEM) education and early learning, as well as focus overall on increasing productivity to achieve better student outcomes more cost-effectively. The Department also will place high priority on Promise Neighborhoods to support comprehensive, innovative and cost effective approaches to meeting the full range of student needs, drawing

on the contributions of schools, community-based organizations, local agencies, foundations, and private businesses.

Great Teachers and Leaders.—Nothing is more important, or more likely to improve student achievement and other key educational outcomes, than putting a great teacher in every classroom and a great principal in every school. To help achieve this goal, the Department will support ambitious reforms, including innovative teacher evaluation and compensation systems, to encourage effective teachers, principals, and school leadership teams to work in high-need schools. Emphasis will also be placed on expanding high-quality traditional and alternative pathways into teaching and preparing 10,000 new STEM teachers over the next 2 years, as part of the President's plan to prepare 100,000 new STEM teachers over the next decade.

College Completion.—The Department is committed to ensuring that America will once again lead the world in college completion by 2020. Regardless of their intended educational path after high school, all Americans should be prepared to enroll in at least 1 year of higher education or job training to ensure we have a better prepared workforce for a 21st century economy.

ACCESS TO 4-YEAR INSTITUTIONS

Question. Super rural and isolated communities, such as those existing on some of the neighboring islands of Hawaii, face many obstacles when it comes to accessing higher education. On the Hawaiian island of Kauai, for example, residents have access to a local 2-year community college but would have to relocate to another island to be able to attend a 4-year institution. How is the Department of Education improving access to 4-year higher education programs for potential university students residing in super rural and isolated areas, such as Kauai, without diverting funds from existing local community colleges?

Answer. The Department provides aid to students based on their estimated family contribution, not their location. If a student chooses to attend a more expensive school, attend a degree or certificate program that would keep him in school for a longer period of time, or attend a school in a different location, the total Federal and State financial aid he would be able to receive would be influenced by these circumstances.

Additionally, a student may find useful the net price calculator on his desired institution's website, to see the potential costs of attending that school. In accordance with the Higher Education Opportunity Act of 2008, all postsecondary institutions are required to have a version of this calculator on their websites by October 29, 2011. The net price number produced from the calculator will be able to help the student see the full cost of attending that school, and help him evaluate and make a more informed decision about whether it is financially possible for him to attend that institution.

STUDENT HEALTH INITIATIVES

Question. Nurses in schools provide a vital service to the educational system. As your Department has established, proper health and nutrition are key to students being considered "ready to learn" and maximizing their educational opportunities. How is your Department supporting and funding initiatives in States, such as Hawaii, that lack a robust school health nursing infrastructure and what other creative initiatives have been put forward to provide access to school-based nurse managed health centers in these targeted States?

Answer. The administration's Elementary and Secondary Education Act reauthorization proposal includes the Successful, Safe, and Healthy Students program. This new program would provide resources and increased flexibility for States and districts to design and implement strategies that best reflect the needs of their students and communities, which may include programs that support student physical health. Depending on the activity, projects that support the efforts of school-based nurses could be funded. Additionally, the administration is working to improve student health outside of the Department of Education. Under the Affordable Care Act, the Department of Health and Human Services awarded \$95 million in July 2011 to school-based health center programs across the country. These grants will help improve the health and wellness of children through screenings, health promotion, and disease prevention activities.

CAROL M. WHITE PHYSICAL EDUCATION PROGRAM

Question. Your Department has found that students who come to school ready to learn perform better in their classes and on standardized tests. Good health is a vital component of being considered "Ready to Learn." In light of the increasing prevalence of chronic conditions, how is the Department of Education supporting

health screening, prevention and treatment of obesity, and support for students with diabetes, asthma, and other increasingly prevalent, chronic conditions so that they may be best prepared to get the most out of their education?

Answer. Currently, the Department's primary contribution to the physical wellness of students is the Carol M. White Physical Education program. Through rulemaking in fiscal year 2010, the Department established a competitive priority for the Physical Education program for projects that incorporate the collection of body mass index data as part of a comprehensive assessment of health and fitness for the purposes of monitoring the weight status of their student population across time. In addition, the administration's ESEA proposal for the Successful, Safe, and Health Students program would provide funding for States and districts to design and implement strategies that best reflect the needs of their students and communities, which may include programs that support student physical health.

21ST CENTURY COMMUNITY LEARNING CENTERS

Question. How would changing the 21st Century Community Learning Centers (CCLC) program to a competitive grant program affect Hawaii? If Hawaii can no longer rely on a consistent funding formula for the 21st CCLC program, program administration and planning for future years may become more difficult for the State.

Answer. We believe that transforming the 21st CCLC program from a formula to a competitive grant program will improve program quality. States developing high-quality plans to compete for the 21st CCLC funds would lead to more of a focus on improved outcomes for students. If we encourage all States to submit high-quality applications, we believe that would drive more improvements in the field in general. Additionally, we believe that numerous States would continue to receive funding under a competitive 21st CCLC program.

Question. How can States maintain consistent program administration without formula funds?

Answer. Those States that would not receive funding under a competitive 21st CCLC program would be in the best position to determine whether local programs that had received 21st CCLC formula funds are worth investing in if 21st CCLC funds are not available. States could, for example, choose to invest more State funds in programs currently funded by the 21st CCLC program. Another option could be that States could encourage school districts to dedicate more title I funds to lengthening the school day and providing services outside of regular school hours.

TEACH GRANTS AND PROPOSED PRESIDENTIAL TEACHING FELLOWS PROGRAM

Question. The Education Department's fiscal year 2012 budget proposal would replace the TEACH Grant program for institutions of higher education (IHEs) with a new Presidential Teaching Fellows grant program for States. Under the TEACH Grant program, many eligible students do not receive grants either because the schools they attend do not participate in the program or they anticipate being unable to fulfill the program's employment requirements. Did these shortcomings prompt the administration to propose replacing the program with its new proposal; are there other reasons why the administration wants to effectively end the TEACH Grant program?

Answer. Yes, based on preliminary data, it does not appear that the program is fulfilling its intended purpose of encouraging students to enter, and remain in, the teaching profession. As many as 75 percent of students receiving a TEACH Grant fail to fulfill its requirements. Additionally, many of the students receiving a TEACH Grant may be doing so in lieu of other institutional aid, which often does not need to be repaid.

The Presidential Teaching Fellows program is designed specifically to target students who demonstrate an interest in teaching later in their undergraduate career, as well as those individuals in programs that have a proven ability to produce quality teaching candidates.

INSTITUTIONAL PARTICIPATION IN THE TEACH PROGRAM

Question. According to the Education Department, five institutions for higher education (IHE) in Hawaii are TEACH Grant eligible. Can you explain why some IHEs did not participate?

Answer. There are many reasons why an institution may not participate in this program, but it would be reasonable to say their decision is likely based, at least in part, on the decision that nonparticipation is in the best interest of their students and institution. Many of the problems with the nature of the TEACH Grant pro-

gram, as described earlier, may be contributing factors into an institutions' reasoning when choosing whether or not to participate.

PRESIDENTIAL TEACHING FELLOWS

Question. How many of Hawaii's institutions will be considered eligible for the Presidential Teaching Fellows program?

Answer. Any Hawaiian institution's participation would be dependent upon if the State chose to participate in the program. In order for the institutions in a State to be eligible, the State must first agree to embrace certain reforms, including making licensure and certification systems more rigorous, measuring the effectiveness of teacher preparation programs based on multiple outcomes, including their graduates' success in improving student achievement, and to be willing to shut down persistently low-performing programs.

CAREER AND TECHNICAL EDUCATION

Question. The President has set a goal of having the United States improve college completion rates and become the Nation with the highest percentage of college graduates among its adults by 2020. The Carl D. Perkins Career and Technical Education Improvement Act of 2006 is the principal source of Federal funding to the States for the improvement of secondary and postsecondary career and technical education programs. The Department of Education's (ED's) fiscal year 2012 budget proposes reducing Federal funding to States under the act from \$1.124 billion in fiscal year 2011 to \$1 billion in fiscal year 2012, following a \$140 million reduction from fiscal year 2010 to fiscal year 2011. Hawaii's \$6.121 million allocation in fiscal year 2010 will be reduced an estimated \$595,000 in fiscal year 2011 and an additional \$608,000 in fiscal year 2012. How will this proposal support the administration's goal and the Nation's projected employment needs?

Answer. While career and technical education (CTE) is vitally important to America's future, the Perkins CTE program as it is currently structured is not operating in a way that produces optimal results for students. ED is currently engaged in developing our reauthorization proposal for the Carl D. Perkins Career and Technical Education Act. Our intent is to develop a proposal that will improve the statute by ensuring that all CTE programs become viable and rigorous pathways to postsecondary and career success, providing students with the career skills necessary to compete in a global marketplace, and collecting better program performance data.

CAREER AND TECHNICAL EDUCATION IN HAWAII

Question. What effect will this funding decrease have for Hawaii, in particular?

Answer. While the State of Hawaii would receive a reduced grant award under the administration's \$1 billion request for the CTE State Grants program, the State would still continue to benefit from the .25 percent set aside under section 116(h) of the Perkins Act for programs that benefit Native Hawaiian individuals. The State could also supplement the funds distributed to local agencies and institutions of higher education by taking advantage of the authority in section 112(c) of the Act that allows it to reserve State funds for awards in rural areas or areas with high percentages or numbers of CTE students.

DISTANCE EDUCATION REGULATIONS

Question. Mr. Secretary, Hawaii has a large number of military members assigned to bases throughout our State. I am concerned that the new regulations on distance education may have potential negative impacts on the ability of our military members to access distance learning opportunities, particularly since they frequently change duty location. What effect will this regulation have on military members?

Answer. The Department's regulations governing State authorization of distance education programs simply required institutions to comply with State laws where they exist. It imposed no additional requirements beyond being able to demonstrate that they complied with State law where those State laws exist. A Federal court recently took action to strike the provision of the Department's regulation, but did not overturn State law.

QUESTIONS SUBMITTED BY SENATOR PATTY MURRAY

EARLY CHILDHOOD EDUCATION

Question. I was pleased with the investment in early childhood education you decided to make with the fiscal year 2011 Continuing Resolution Race to the Top fund-

ing. However, I think we both know there is much more that should be done. Early childhood education is one of the most important investments we can make in a child's education. Can you tell me your thoughts and plans for continued funding and investments to improve the quality of early childhood education for children in Washington State and across the country?

Answer. The administration wants to ensure that there continues to be funding to support the important work of improving the quality of early learning programs and services. We are excited about the RTT-ELC competition, which is focused on improving the early learning and development of young children by supporting States' efforts to increase the number and percentage of low-income and disadvantaged children in each age group of infants, toddlers, and preschoolers enrolled in high-quality early learning and development programs, and on States' efforts to design and implement an integrated system of high-quality early learning and development programs and services. We expect that the States that win these grants will serve as models for others, leading to improved quality of early learning and development programs across the Nation.

LITERACY FUNDING

Question. I am very troubled by the elimination of almost all Federal aid for literacy programs and what it could mean for the future of the Federal commitment to literacy. Providing high-quality literacy programs for children across the country has always been a priority for me. How does the Department plan to support further investments in literacy, given its importance in the educational success of students?

Answer. The fiscal year 2011 compromise agreement included many painful cuts, and the reductions for literacy programs were particularly difficult. The administration requested increased funding for literacy in fiscal years 2011 and 2012, so we are very concerned about the cuts to literacy programs. We want to work with you to find a way to restore funding for literacy programs.

The President's fiscal year 2012 budget request included funding for the proposed Effective Teaching and Learning: Literacy program, which would replace the previously fragmented literacy programs to support States in carrying out a comprehensive, pre-kindergarten through grade 12 literacy strategy. States would target funds to high-need districts to implement high-quality evidence-based literacy instruction. States and districts would have the flexibility to target funds on the activities and grade spans where local need and the potential impact on student learning are greatest. In addition, the Department just made awards under the Striving Readers Comprehensive Literacy (SRCL) program using fiscal year 2010 funds. That competition is aligned in many ways with the proposed Effective Teaching and Learning: Literacy program. The President's budget request includes continuation funds for the SRCL grants in the request for the new literacy program.

21ST CENTURY COMMUNITY LEARNING CENTERS

Question. The budget proposal you submitted proposes adding new purposes and programs to the existing 21st Century Community Learning Centers initiative, including summer school and longer school days. In this budget environment, I am very concerned that diverting afterschool funds to schools to extend the regular school day will inevitably mean fewer afterschool programs and fewer communities being served. How can you guarantee that these proposed changes will not result in fewer children being served by afterschool programs that keep our students safe and give them enriching educational activities?

Answer. The fiscal year 2012 request for the 21st Century Community Learning Centers program, which is aligned with the administration's proposal to reauthorize the Elementary and Secondary Education Act (ESEA), would allow local recipients to use program funds to expand learning time by significantly increasing the number of hours in a regular school schedule and comprehensively redesigning the school schedule for all students in a school. The administration's ESEA reauthorization proposal would continue to allow funds to be used for before- and after-school programs, summer enrichment programs, and summer school programs, and, additionally, would permit States and eligible local entities to use funds to support expanded-learning-time programs and full-service community schools. This enhanced flexibility would allow communities to determine the best strategies for enabling their students and teachers to get the time and support they need.

EXTENDED-DAY AND AFTER-SCHOOL PROGRAMS

Question. Many extended-day programs only keep students in school until 4 PM, or earlier. And, since the majority of afterschool programs end between 5 pm and

7 pm and sometimes later, how is extending the school day going to fill that gap, ensuring students are off the streets, until their working parents get home?

Answer. I agree that it is critically important that children have a safe, enriching place to go between the time that they are dismissed from school and when they are supervised at home. The administration's reauthorization proposal assumes that local communities are best suited to determine how best to provide such support for children and their families, whether through afterschool programs, expanding the regular school day, week, or year, or a combination of these strategies. Under our reauthorization proposal, all of these options would be allowed, including afterschool programs.

INITIATIVES AND INVESTMENT IN EDUCATIONAL TECHNOLOGY

Question. As you know, the first round of Race to the Top Assessments are scheduled to be performed online in 2014. Many States and districts are unprepared technologically and in terms of training people to administer them and yet funding for classroom technology was cut from this and last year's budget proposals. Can you explain the Department's rationale for failing to invest in classroom technology, and, are there any plans to assist States and districts in ramping up to meet the technology challenges of implementing the Common Core assessments?

Answer. The administration believes that technology is integral in improving educational quality for students, and that technology can be a valuable tool for enhancing student learning and better supporting teachers. For that reason, instead of continuing to fund a separate, narrowly defined formula program for education technology, the administration is proposing, through the Elementary and Secondary Education Act (ESEA) reauthorization and fiscal year 2012 budget request, new ways of investing and integrating technology across ESEA programs. We believe that this new approach would offer more flexibility and provide greater support to States, districts, and schools in their efforts to integrate technology into curricula and instruction and also would encourage the replication of effective technology-based practices.

Educational Technology in the Fiscal Year 2012 Budget Request

As you are aware, the President's fiscal year 2012 budget request includes \$835 million for the proposed Effective Teaching and Learning for a Complete Education initiative, which would address the need to strengthen instruction and increase student achievement, especially in high-need local educational agencies, through three programs focused on literacy; science, technology, engineering, and math; and ensuring a well-rounded education. Under this proposed initiative, the Department would support States and districts in developing strategies and practices to meet the needs of their students and teachers across subject areas, including through innovative uses of technology in classroom instruction and professional development. The initiative's national activities authority also would support States in strengthening their use of technology in the core academic subjects, including the development and implementation of technology-enabled curriculum, assessments, professional development, and tools and resources.

The fiscal year 2012 budget request also includes \$300 million for a reauthorized Investing in Innovation Fund and \$90 million for the new Advanced Research Projects Agency—Education (ARPA-ED). The Investing in Innovation Fund would support the use of technology to drive improvements in educational quality and productivity. The ARPA-ED initiative would pursue breakthrough developments in educational technology and learning systems, support systems for educators, and tools that result in improvements in student outcomes. Other programs that would encourage the integrated use of technology in classrooms include Expanding Educational Options, College Pathways and Accelerated Learning, Effective Teachers and Leaders State Grants, Teacher and Leader Pathways, Assessing Achievement, and English Learner Education. The administration is also proposing to allow States and districts to set aside a sizable percentage of the \$14.8 billion request for Title I, Part A, College- and Career-Ready Students program to support capacity-building activities, including for technology.

Computer-based Assessments

In addition to these new ways of investing and emphasis on the integration of technology across programs, the administration is committed to supporting States and districts as they begin to make greater use of computer-based assessments. Under the Race to the Top Assessments competition, the Department awarded grants to consortia of States to develop reading-English language arts and mathematics assessments that are aligned with standards that are held in common by participating States. The administration's ESEA reauthorization proposal and fiscal

year 2012 budget request include support for the Assessing Achievement program (currently titled State Assessments), which would allow States to use program funds to administer assessments that are aligned with college- and career-ready standards, as well as for other activities relating to implementation of such assessments and reporting of assessment data. The administration believes that these resources would increase the number of States implementing assessment systems that measure whether students are on track to being college- and career-ready by the time they graduate from high school, and they also would help States align their standards and high school graduation requirements with college and career expectations.

CAREER AND TECHNICAL EDUCATION

Question. Across America, unemployment levels remain high, but we know there are jobs available for individuals who have the right skill sets. Career and Technical Education (CTE) programs work to ensure that students have the academic, technical and employability skills necessary for real career readiness. And at the Federal level, it is important that we support programs that help our workforce gain the skills necessary to be successful. Can you discuss how schools can offer CTE programs to help students attain these skills without Perkins funding?

Answer. The Perkins Act funding assists States in expanding and implementing CTE education in high schools, technical schools, and community colleges. While it constitutes a small percentage of the total funding used by States, districts, and institutions of higher education for CTE programs, targeted Federal funding can continue to spur reform and innovation.

The majority of the funding for CTE programs comes from State and local sources. Therefore, as long as students, school systems, and business leaders find that these programs are valuable and provide students with relevant and useful skills, these programs are likely to continue to exist.

REAUTHORIZATION OF PERKINS ACT—CAREER AND TECHNICAL EDUCATION

Question. The Department has mentioned that one reason for cutting Perkins funding is an inconsistency in the quality of programs across the country. However, I think that cutting funding for Perkins will likely exacerbate program quality inconsistencies. Furthermore, due to the nature of this formula grant, even high-quality programs will lose a significant amount of funding. Can you discuss how the Department expects CTE programs to succeed under this loss of funding?

Answer. The administration's intent is to work with Congress during the upcoming reauthorization of the Perkins Act to improve the program and ensure that it provides students with the career and technical skills necessary to compete in a global marketplace. The current accountability system under the act cannot effectively differentiate between low- and high-quality CTE programs, nor does it provide incentives to distribute funds to schools and postsecondary institutions based on performance. We need to ensure that we invest in high-quality CTE programs, those that provide multiple pathways to success in careers and postsecondary education or training and align academic and technical coursework with challenging postsecondary expectations, industry needs, and certifications, and respond to the changing needs of the global economy.

IMPACT AID FUNDING

Question. Impact Aid is an important education program for many schools around the country and, specifically, in my home State of Washington. Impact Aid remains a bipartisan priority of the United States Senate. Could you please explain for me your plan for continued investment in the Impact Aid program?

Answer. The Department is committed to maintaining funding for the Impact Aid program. Since 2001, funding for the Impact Aid program has increased by over 28 percent. The administration's budget request would maintain the current level of funding and provide over \$1.2 billion in financial assistance to school districts affected by Federal activities. Our request would maintain the Department's commitment to over 937,000 federally connected students and ensure that sufficient funding remains available for Basic Support Payments, Payments for Children with Disabilities, Facilities Maintenance, Construction, and Payments for Federal Property.

IMPACT AID PAYMENT PROCESS

Question. Additionally, how does the Department plan to rectify ongoing, consistently late Impact Aid payments to districts?

Answer. With regard to late payments to districts, as you may know, the Impact Aid program is not fully funded and as a result we follow payment proration rules

that are set by statute. In order to make final payments for any fiscal year, all data for all applicants must be complete and approved. When we begin making payments for any fiscal year, this is not the case. There are a number of reasons why this happens, such as amendments submitted by some applicants in September, incomplete field reviews (the monitoring process), pending property or Indian policy and procedure reviews, eligibility determinations that are not final, data questions regarding total current expenditures, attendance or local contribution rate figures, and submissions for military base housing undergoing renovation that have not been approved. As a result of these pending questions, we have to set the payment level at a lower level for the first year to avoid making overpayments to a large number of districts. In addition, we must set an initial payment rate in our system in May or June in order to be prepared to begin making payments on October 1, when funds become available for the new fiscal year. As this is well before an appropriation is enacted, we must consider the possibility that the program will not receive an increase or even be level funded for the next fiscal year. When we operate under a continuing resolution for part of the fiscal year, as we have for many recent years, we have limited funds to distribute and try to provide funding to as many applicants as possible, which is another reason for setting the initial payments at a lower rate. Once we have an appropriation for the full fiscal year, we raise that rate and issue another set of payments.

Under the Impact Aid statute, we actually have 6 years to complete payments, the year of the appropriation and 5 more. However, our goal is to get this down to only 2 years so that we can get our funds out to the LEAs as soon as possible. What generally happens during a fiscal year is that we make initial and interim payments for the current year and the prior year, and final payments for the second prior year. Together these payments are usually equal to approximately the full amount of the payments for the current year. The LEAs with the highest percentages of federally connected students in their enrollments have received the highest proportions of their final payments in the first year, which we feel is an appropriate outcome. We continually strive to improve and expedite our payment processing while ensuring that our payments to all applicants are accurate.

QUESTIONS SUBMITTED BY SENATOR MARY L. LANDRIEU

TEACH FOR AMERICA

Question. Because of the zeroing out of several critical education programs, worthwhile organizations like Teach For America have been struggling to find alternative sources of Federal funding. To support this effort, this subcommittee recently approved a competitive funding stream to be set aside for national programs that recruit, train, and professionally develop teachers at an amount of 1 percent of title IIa funds. Meanwhile, the programs eligible to compete for these funds were awarded over \$100 million last year, and they will be left to vie for a slice of merely \$25 million if this set aside is left at 1 percent. Nearly 90 Members of Congress—from both parties and chambers—have written in support of increasing this competitive funding pot to 5 percent of title IIa.

Mr. Secretary, do you support this increase; if so, why, and if not, why not?

Answer. Under the President's fiscal year 2012 budget request, Teach For America, along with other nonprofit organizations, States, local educational organizations, and institutions of higher education, would be eligible to apply for \$250 million in competitive grant awards under the Teacher and Leader Pathways program, for which the creation or expansion of high-quality alternative pathways into the teaching profession would be an authorized activity. In addition, Teach For America would also be eligible to compete for funding under the Investing in Innovation program, through which Teach For America received \$50 million in 2010 and for which \$300 million was requested for 2012. Finally, Teach For America could partner with States and districts to use funds awarded under the Effective Teachers and Leaders State grants program to support Teach For America projects. The Department believes that the funds requested for these programs would significantly expand the resources available for Teach For America and other States, local educational agencies, nonprofit organizations, and institutions of higher education to compete for funding to support their efforts to recruit, prepare, and develop, and retain effective and highly effective teachers.

RACE TO THE TOP FUNDING COMPETITION

Question. Every State (except Georgia) that won Race to the Top in the first two rounds has now amended its State reform plan in some way—usually to push back

a timeline or scale back an initiative. According to the list of approved amendments listed on the U.S. Department of Education's Web site, 12 winners have changed their plans 25 times, overall.

Delaware, the District of Columbia, Florida, Georgia, Hawaii, Maryland, Massachusetts, New York, North Carolina, Ohio, Rhode Island, and Tennessee won Race to the Top funding based on their ambitious plans for reform. Now, nearly all of these States and the District of Columbia are making changes to their plans.

The administration has requested an additional \$900 million for Race to the Top. Before appropriating additional funding to this competition, it's worth asking if the Department of Education is learning any lessons from the first two rounds.

Could you address any improvements the Department of Education intends to make to Race to the Top to ensure that only the States truly committed to their bold reform plans win the funds?

Answer. We are working closely with States to ensure that the only changes they make to the plans in their winning applications are those that preserve the ambitious work they set out to do. We are open to revisions so long as they preserve the long-term trajectory of the work while addressing short-term implementation challenges. If a State fails to follow through on the commitment in their application, we will freeze or take back its grant award.

Question. Additionally, can you please discuss the specifics of the administration's proposal to expand the Race to the Top competition to regions and cities, not just States?

Answer. We still have details to work out, but it is our intention that districts in States that received Race to the Top grants, as well as those in all the other States, would be eligible to compete in the district competition. In States that won Race to the Top grants last year, we do not want to get in the way of the great work these States are already doing. District plans should be aligned with the State's plans, and we would seek input from the field on how best to ensure that alignment. We also recognize the concern that districts in Race to the Top States may be further ahead in developing comprehensive reform plans. We would explore the best way to ensure a level playing field for all districts, whether they are in Race to the Top States or not.

RACE TO THE TOP PHASE 3

Question. Finally, could you also provide a status update on the \$200 million fiscal year 2011 Race to the Top competition for the nine high-scoring finalists that did not receive funds in the first two rounds of the competition?

Answer. The Department will dedicate (for what we are calling "Race to the Top Phase 3") approximately \$200 million for the nine highest-ranked but unfunded finalist States from the 2010 Race to the Top Phase 2 competition. The grant application for Race to the Top Phase 3 will be available in early fall for the nine eligible States: Arizona, California, Colorado, Illinois, Kentucky, Louisiana, Pennsylvania, New Jersey, and South Carolina. We are working on the final details of the grant opportunity, but the focus will be on supporting the States' 2010 Race to the Top applications in order to drive continued education reform in those States. The Department plans to make awards in December 2011.

EMERGENCY PREPAREDNESS IN SCHOOLS

Question. According to the National Commission on Children and Disasters, in its October 2010 Report to the President and Congress, a major concern is the lack of comprehensive disaster planning and preparedness for schools across the country. The Commission echoes a 2007 GAO Report that identified many gaps in aligning school emergency plans with federally-recommended practices.

The U.S. Department of Education manages the Readiness and Emergency Management for Schools (REMS) grant competition to improve emergency preparedness in schools. It is the only Federal grant program solely dedicated for this purpose. In fiscal year 2010, the Department received \$30 million and awarded grants to about 120 school districts (local educational agencies). The fiscal year 2011 budget request was again \$30 million.

The Commission noted that \$30 million is insufficient to improve emergency preparedness for over 130,000 public and private schools in our country. For fiscal year 2011, the Department intends to spend just \$4 million and provides only \$6 million in its fiscal year 2012 budget request.

Given the concerns of the Commission and GAO, why isn't improving emergency preparedness for schools a higher priority to the Department, and worthy of greater investment?

Answer. The Department remains committed to emergency preparedness planning, and believes that a more cost-effective and efficient strategy is to build State-level capacity for emergency preparedness planning. Instead of funding grants for Readiness and Emergency Management for Schools (REMS) to school districts, the Department plans to award grants in 2012 to States to provide support to districts and schools, including those that face unique challenges in implementing emergency management activities, that will help them prepare to address a variety of potential hazards and crises.

REMS currently does not enable the Department to achieve meaningful progress towards sustainable, continuous improvement in K–12 emergency management. The REMS grants program has served a small fraction of all school districts and is too small to have a significant impact on emergency preparedness nationally. Since 2003, the Department has distributed 823 grants to districts, a small proportion of the 14,200 public school districts nationwide.

State Grants for Emergency Management

Supporting statewide efforts will ultimately allow the Department to reach more districts. Also, moving to this new approach will allow the Department to support State efforts to develop best practices and innovative models that can be shared with and adapted or adopted by other States.

Further, the National Commission on Children and Disasters 2010 Report to the President and Congress recommended the approach we have proposed, stating, “the Commission recommends that competitive disaster preparedness grants be awarded to States through the REMS program as an initial step toward developing innovative models designed to ensure a higher level of school preparedness statewide.” This approach also would align our emergency preparedness efforts with the Department’s overall priority to build the capacity of State educational agencies across the country.

We had hoped to initiate the State Grants for School Emergency Management in 2011 but, due to the \$98 million cut in funding for Safe and Drug-Free Schools and Communities (SDFSC) National Activities under the fiscal year 2011 full-year continuing resolution, the Department did not have enough 2011 funds to make any new SDFSC grant awards.

Also, in 2012 under SDFSC National Activities the Department plans to award additional Safe and Supportive Schools grants to States to support statewide measurement of, and targeted programmatic interventions to improve, conditions for learning in order to help schools improve safety and reduce substance use. Promoting readiness and emergency management for schools would be among the programmatic interventions supported with those grants.

FEDERAL TRIO PROGRAMS

Question. Over the last 5 years, Federal TRIO programs have lost 37,000 participants as a result of stagnant funding. The \$26.6 million cut in fiscal year 2011 may result in as many as 107,000 fewer participants. The administration has requested \$920 million for TRIO in fiscal year 2012. This funding is critical to growing the capacity of TRIO and thereby increasing the rate of college completion for students from lower socioeconomic backgrounds. Could you discuss how the administration will support and defend its recommended funding level for TRIO in fiscal year 2012?

Answer. The administration believes that the Federal TRIO programs play an important role in assisting low-income students and students whose parents never completed college with support and preparation to enter and complete postsecondary education programs. In designing the TRIO competitions for 2012, particularly Upward Bound, the Department is focused on ensuring that grantees pursue strategies and activities that will maximize the number of students to which they can provide high-quality services. The Department also believes that the TRIO programs can play an important role in ensuring that our investment in Pell Grants results in more students persisting and completing because they enroll in postsecondary education better prepared to succeed.

The administration remains committed to increasing college enrollment and completion rates among traditionally underrepresented populations. In demonstration of this commitment, we have prioritized protecting the \$5,550 maximum Pell Grant award in fiscal year 2012 and beyond, with the goal of ensuring that more than 9 million low-income students can continue to rely on Pell Grants to enter into, and complete, a postsecondary education. However, low-income students need more than just financial support to enter and complete college; they also need supportive services like those provided by our Federal TRIO programs.

EDUCATIONAL STABILITY FOR FOSTER YOUTH

Question. Children in the foster care system face unique challenges on their path to high school graduation and college success. On average, foster children move one to two times per year, and often change schools when they move. When students change schools, they lose 4 to 6 months of educational progress. Only about half of foster children graduate from high school, and a mere 3 percent earn bachelor's degrees. As the Co-Chair of the Senate Caucus on Foster Youth and an advocate for foster youth, I am concerned that children in the foster care system do not have the educational stability they need to graduate from high school—on time and with the strong educational foundation they need to access and complete college.

Mr. Secretary, do you believe the U.S. Department of Education should invest in promoting educational stability for the nearly 450,000 children in foster care, and, if so, what would that investment look like? Might this investment include school vouchers for youth in care over 18 months; stronger collaboration between State Educational Agencies and State child welfare agencies; Federal funding for the transportation needed to keep foster youth in their school of choice; or other solutions?

Answer. All students, especially those in foster care, need educational stability in order to succeed in school. We certainly need to do more for youth in foster care, who are more likely to repeat a grade, and score lower on standardized tests, than youth who are not in foster care. Between one-quarter and almost one-half of all children in foster care are also in special education, well above the average for the general population.

Collaboration among State educational agencies (SEAs), State child welfare agencies, local educational agencies (LEAs) and schools is key to tackling these challenges. In letters to Chief State School Officers and State Child Welfare Directors, we are planning to encourage States and LEAs to develop or review and, if appropriate, revise their policies and guidelines for serving children in foster care, in order to minimize the disruptions to education that can come from being placed in foster care. We have encouraged SEAs, LEAs, and child welfare agencies to collaborate during this process and to publicize these policies and guidelines so that school administrators, teachers, social workers, and parents understand and can replicate and reinforce their efforts to increase the educational success of foster children. ED has also urged child welfare agencies to collaborate with LEAs on policies and procedures to ensure that foster children remain in and receive transportation to their school of origin in cases where this is in the best interest of the foster child, using funding under title IV, part E of the Social Security Act and other available resources for such purposes. We have pushed for all States and LEAs to have any revised policies and guidelines in place prior to the start of the 2011–2012 school year.

ED is also collaborating with the Department of Health and Human Services (HHS) on this issue, by providing HHS with the information and technical assistance needed to successfully carry out that agency's work under the Fostering Connections to Success and Increasing Adoptions Act of 2008 (FCA). For example, we have worked closely with HHS in providing input and assistance as it develops guidance and other material on the FCA. ED has also shared with HHS resources developed by the National Center for Homeless Education (NCHE), our technical assistance contractor for the McKinney-Vento Education for Homeless Children and Youth program. NCHE provides technical assistance to ED on issues related to homeless students, but it has also put together information and recommendations on the education of students who are eligible for homeless services while they are awaiting foster care placement.

Foster Care and Education National Meeting in 2011

Finally, ED and HHS will co-host a Foster Care and Education National Meeting on November 3 and 4 of 2011 to bring together State teams, representing each State's educational, child welfare, and court systems, to discuss how to promote educational stability and improve educational outcomes for children in foster care. Our goals for this meeting are to expand participants' understanding of each system and of the individual and collective opportunities that can contribute to improving educational outcomes for children in foster care; gain insight into foster youths' perspectives on what supports have aided in their educational success; familiarize participants with the educational provisions of the FCA; and showcase meaningful collaborative initiatives that have demonstrated positive educational outcomes. During the meeting, each State team will also create an action plan for cross-system collaboration to be implemented following the conference. All conference attendees will have access to additional technical assistance, such as webinars, on topics related to the FCA leading up to this national meeting.

HIGH SCHOOL DROPOUT RECOVERY/PREVENTION PROGRAMS

Question. A June 2011 MDRC report, “Staying on Course: Three-Year Results of the National Guard Youth ChalleNge Evaluation,” shows that the National Guard Youth ChalleNge program is effectively reducing our Nation’s high school dropout rate. According to the report, 3 years after entering the program, Youth ChalleNge graduates were more likely to earn their high school diploma or GED, obtain college credits, be employed, and have substantially higher earnings than high school dropouts who were eligible, but did not participate in the ChalleNge Program.

Are you aware of any comparable high school dropout recovery/prevention programs, and if so, how is the U.S. Department of Education investing in these programs?

Answer.

Dropout Prevention Guidance

Reducing our Nation’s high school dropout rates is a key Department goal, and we have been actively engaged in identifying and disseminating information on effective dropout prevention and recovery practices. In fall 2008, the Institute of Education Sciences (IES) released *Dropout Prevention: A Practice Guide*, which provides recommendations for dropout interventions using evidence from previously implemented programs that positively affected students’ progress and persistence in school. Using material from this guide, the Department developed a Dropout Prevention section for the *Doing What Works* Web site, which provides practitioners with research-based information and tools for improving outcomes. The Office of Elementary and Secondary Education has also recently initiated an effort to identify a set of promising dropout prevention and recovery models. In addition, IES continues to fund research on dropout prevention programs, currently including a study of the Check & Connect dropout prevention model.

Departmental Dropout Prevention and Reentry Programs

The Department has invested in dropout prevention and reentry efforts through the High School Graduation Initiative (HSGI, formerly School Dropout Prevention) program, which received \$48.9 million in fiscal year 2011 and provides competitive grants to States and local school districts to implement, at schools with below-average graduation rates, effective, sustainable dropout prevention and reentry activities, including activities similar to those of the National Guard Youth ChalleNge program. In our proposal to reauthorize the Elementary and Secondary Education Act, we propose to consolidate this and two other programs that seek to improve outcomes for high school students or offer accelerated learning opportunities into a single authority, the College Pathways and Accelerated Learning program. This program would support comprehensive efforts to increase high school graduation rates and preparation for college matriculation and success by providing college-level and other accelerated courses and instruction in middle and high schools with concentrations of students from low-income families and in high schools with low graduation rates. It would also allow considerable local flexibility for activities including efforts to prevent students from dropping out and to reengage out-of-school youth, including early warning systems and comprehensive prevention and reentry plans. The President’s fiscal year 2012 request includes \$86 million for this program.

In addition, high schools with high dropout rates receive significant assistance through the Title I School Turnaround Grants (formerly School Improvement Grants) program. Under the administration’s recent program regulations and ESEA reauthorization proposal, Title I secondary schools with a graduation rate below 60 percent may receive priority for School Turnaround funds. These school turnaround grants will provide hundreds of millions of dollars to help restructure significant numbers of the Nation’s “dropout factories.”

Also, the Department will continue to invest in efforts to keep students in school and on the path to college through programs authorized under the Higher Education Act, including the TRIO-Talent Search and GEAR UP programs.

QUESTION SUBMITTED BY SENATOR RICHARD J. DURBIN

STUDY ABROAD AND FOREIGN LANGUAGE INSTRUCTION

Question. Currently, only about 1 percent of college students study abroad each year, few of whom are minority students, community college students, or students studying in the STEM fields or to be teachers. Less than 10 percent of students enrolled in higher education institutions in the U.S. are taking foreign languages. Given the increasingly global nature of our economy, what plans does the Depart-

ment have to help more students graduate college with the global mindset and foreign language skills necessary to be successful in today's global economy?

Answer. The Department agrees that a world-class education must integrate global competencies and is committed to increasing the global competency of all U.S. students, including those from traditionally disadvantaged groups. The Department expects these objectives to be reflected in a strategy it is currently developing that would govern all its international activities. The Department currently administers 18 discretionary grant programs authorized under the Higher Education Act and the Mutual Educational and Cultural Exchange Act of 1961 that are designed to strengthen the capability and performance of American education in foreign languages and in area and international studies, and to improve secondary and postsecondary teaching and research concerning other cultures and languages, as well as the training of specialists, and the American public's general understanding of the peoples of other countries. The Department intends to further align activities to be supported in fiscal year 2012 under these programs with the Department's goals to advance global educational competency for American citizens and to increase access and quality in postsecondary education.

QUESTIONS SUBMITTED BY SENATOR JACK REED

SCHOOL LIBRARIES

Question. Given that more than 60 education and library studies have shown evidence that effective school libraries are linked to increased student achievement and knowing that digital literacy skills are essential to being college and career ready, what is the administration's plan to ensure that students in title I schools have access to effective school library programs?

Answer. The administration's proposed Effective Teaching and Learning: Literacy program would address the need to comprehensively strengthen instruction and increase student achievement in literacy in high-need districts and schools. The administration believes that this new program would help ensure that States and high-need districts have in place a solid infrastructure across the grade levels to support high-need schools in implementing high-quality, developmentally appropriate, and systematic literacy instruction (which may include programs that support school libraries).

Question. What changes does the administration plan to make to competitions such as Race to the Top to encourage States and school districts to provide effective school library programs?

Answer. Race to the Top provides significant flexibility to States and encourages them to pursue approaches that improve student outcomes and best meet State and local needs. Depending on the strategies adopted by individual States (and by local educational agencies, if we are able to hold a district-level RTT competition), the approaches may include activities to strengthen school libraries. In addition, the proposed Effective Teaching and Learning: Literacy program would encourage States and LEAs to implement high-quality literacy instruction, which could include support for school libraries.

TEACHER QUALITY PARTNERSHIP GRANTS

Question. The President's fiscal year 2012 budget calls for the Teacher Quality Partnership program to be consolidated, along with four others, into a new authority called Teacher and Leader Pathways. Teacher Quality Partnership Grants are currently the Federal Government's only investment in reforming teacher preparation at institutions of higher education, which prepare nearly 90 percent of all teachers. Why is the administration planning to switch course before full implementation of the Teacher Quality Partnership Grants?

Answer. In its March 2011 report entitled "Opportunities to Reduce Potential Duplication in Government Programs, Save Tax Dollars, and Enhance Revenue," the Government Accountability Office (GAO) specifically identified the Teacher Quality Partnerships Grants program as a current teacher quality program that overlaps with another program in the Department based on its allowable activities or shared objectives and target groups. The GAO report noted that the administration had already proposed to reform the current fragmented approach to improving teacher quality through its Blueprint for the reauthorization of the Elementary and Secondary Education Act.

By consolidating several overlapping and sometimes narrowly targeted programs, the administration has proposed an integrated approach to recruiting, preparing, developing, rewarding, and retaining effective teachers and school leaders that builds

on the best elements of existing programs and approaches at the Federal, State, and local level. The President's fiscal year 2012 budget requests \$250 million for the Teacher and Leader Pathways program to support the preparation of new teachers, with particular emphasis on the preparation of science, technology, engineering, and mathematics, or STEM, teachers. Institutions of higher education, along with States, local educational agencies, and nonprofit organizations, would be eligible for competitive grants to support the creation or expansion of high-quality traditional and alternative pathways into the teaching profession.

PROJECTS FUNDED UNDER TEACHER QUALITY PARTNERSHIP GRANTS

Question. What are the preliminary results from the current Teacher Quality Partnership Grants?

Answer. The Department is currently administering 40 grants under the Teacher Quality Partnership Grants program, including 19 teacher residency projects, 12 pre-baccalaureate teacher preparation projects, and 9 projects that support both a teacher residency project and pre-baccalaureate teacher preparation. Although it is too early to know if these teacher preparation programs are producing more effective teachers as a result of the reforms they are implementing through these grants, the annual performance reports for the second year of these grants indicate that most projects are implementing their projects as planned.

The grants supporting teacher residency projects prepared 620 teacher candidates last year. These projects focused on preparing candidates who will be certified to teach elementary education, mathematics, science, or special education. The graduates of these residency projects will be teaching in high-need schools in high-need districts in the 2011–2012 school year. Due to reductions in State and local funding, some of the partnering high-need districts for the residency projects have been unable to meet their original commitments to hire as many residents to teach in high-need schools. Since grantees are required to place successful graduates of residency projects in teaching positions in high-need schools, these grantees have had to reduce the number of candidates they admitted. The Department is hopeful that the partnering districts will be able to commit to hiring more teacher residents in the remaining years of these grants and will continue to work with grantees to ensure that these projects are as successful as possible despite the challenging economic conditions.

For the pre-baccalaureate teacher preparation grants, six institutions of higher education have incorporated information into their traditional course offerings to ensure that their teacher preparation candidates are prepared to teach students in urban, high-need schools more effectively. Four pre-baccalaureate projects are focused on preparing candidates to teach students in high-need rural schools and rural education is an area of emphasis for several other projects. Both pre-baccalaureate and residency projects reported that they are establishing or expanding clinical experience requirements for teacher candidates. In addition to preparing teachers to enter the classroom, six projects also have reported that they are offering professional development for teachers in partnering schools.

FEDERAL PARTNERSHIPS AND NEED-BASED STUDENT GRANT AID

Question. Does the administration see a need for a Federal-State partnership to support need-based grant aid for students? What are the administration's plans to rebuild such a partnership now that the Leveraging Educational Assistance Partnerships, or LEAP, program has been defunded?

Answer. Cooperation between the Department and States is vital to achieve good educational outcomes. This is why the 2012 President's budget included proposals for new Federal-State partnerships in the form of the College Completion Incentive Grant (CCIG) program, and the College Access Challenge Grant program. CCIG is designed for twofold activity: to encourage States to engage in reforms to increase college completion rates (and ensure these students are well-prepared), and to reward institutions that are successful at achieving these goals. States must apply to receive funding, and include with their application a plan of how they will make certain reforms.

The College Access Challenge Grant Program, as proposed, would provide formula aid to States to bolster access, persistence, and completion activities, specifically targeted toward low-income students. This program would fund activities to ensure low-income students are prepared to enter and succeed in postsecondary education, such as providing them need-based grant aid, promoting financial literacy and debt management, and providing postsecondary education and career preparation for students and their families.

Question. Does the administration see a need for a Federal-institutional partnership to provide need-based grant aid for students? How can we strengthen the current aid programs to improve these partnerships?

Answer. Besides the funding that is able to be granted to institutions from States via the College Completion Incentive Grants and College Access Challenge Grant programs, the First in the World program, included in the 2012 President's budget request, would go directly to programs that are evidence-based and willing to undergo rigorous evaluation. This would be a competitive grant program, and would place priority in the first year on projects that could reduce net price, improve outcomes, reduce time to degree or instructional costs; and/or improve access and completion rates.

RACE TO THE TOP FUNDING AND VENDORS

Question. With billions of dollars awarded, Race to the Top is the largest competitive grant program at the Department of Education. It is essential that the use of these funds is fully transparent. Please provide information on which vendors States are using to implement their grants and the amount of Race to the Top dollars that are being awarded to the top vendors across the States.

Answer. We have not aggregated the information about the vendors with whom the Race to the Top States are working to implement their plans. All of the States and school districts that received Race to the Top funds must meet the reporting requirements set forth in section 1512 of the Recovery Act. Those requirements include identifying any vendors that receive payment of \$25,000 or more in a given quarter, and that information is publicly available on Recovery.gov. In addition, States must follow State procurement laws, which may require the public release of the names of entities that are awarded contracts and other awards under the program.

QUESTIONS SUBMITTED BY SENATOR MARK PRYOR

LEVEL PLAYING FIELD FOR RURAL AREAS IN GRANT COMPETITIONS

Question. You testified that over 80 percent of the Department of Education's funding allocations remain formula based. However, I have heard from many of my constituents that are concerned that they do not have the ability or the resources necessary to effectively compete for the remaining 20 percent of funding in competitive grants. What steps is the Department of Education taking to ensure that poor and rural school districts are able to apply for competitive grants and compete on a level playing field?

Answer. The Department recognizes that capacity constraints in remote and rural areas can make applying for competitive grants difficult. To help level the playing field for rural districts, the Department is using absolute and competitive priorities to award additional points to applications from these districts or other applicants serving rural areas. For example, the Department included a rural priority and a tribal priority in the Promise Neighborhoods grant competition. The Department also has proposed structuring new competitions for the Race to the Top and i3 programs to reflect the needs of rural districts. Our goal would be to ensure that rural districts are able to compete for Race to the Top funds in our proposed district-level competition, and that i3 recipients serve geographically diverse communities. Under i3, for example, we hope to fund providers proposing evidence-based approaches to addressing the unique needs of rural districts and schools. Also under i3, we plan to recruit peer reviewers experienced in working with rural students and schools, and to improve our training methods so that all peer reviewers are aware of the unique needs of students and schools in rural communities and our expectations for applications that respond effectively to the rural priority.

The Department also is using its Comprehensive Centers to provide technical assistance designed to increase the capacity of rural districts, working with Rural Education Achievement Program (REAP) State coordinators to increase awareness of competitive grant opportunities for rural areas, and encouraging the development and expansion of consortia and partnerships to help make rural districts more competitive. Finally, the Department's recent experience with the School Improvement Grants (SIG) program suggests that rural districts can hold their own in properly structured competitive grant competitions. Rural schools made up just under 20 percent of all schools eligible for SIG funds in the fiscal year 2009 State SIG competitions, but totaled 23 percent of grant recipients in that year.

RACE TO THE TOP APPLICATION PROCESS AND RURAL DISTRICT APPLICANTS

Question. The President has requested \$900 million for fiscal year 2012 for Race to the Top. Can you take me through the process of selecting applications for award?

Answer. We have not yet developed the specific process for the district-level competition, but would do so with input from stakeholders in a diverse array of districts.

Question. Additionally, what metrics or criteria do you have in place to ensure that rural and underserved States and school districts will be evaluated on a level playing field with States and school districts that may have more resources?

Answer. While we do not have specific metrics or criteria in place, we would develop the competition with rural districts in mind. If a single set of criteria are not appropriate for both rural and non-rural districts, we may develop different criteria. We have not yet decided what approach we would use.

EDUCATION AND EMPLOYMENT

Question. I am increasingly concerned about the ability of students with a degree or certification from a high school, technical or vocational school, or community college to find gainful employment. How can we make sure these students graduate with the knowledge and skills that employers are looking for?

Answer.

Ensuring All Students Graduate College- and Career-Ready

President Obama and I share your commitment to ensuring that all students graduate college- and career-ready, both to expand individual opportunity for further education and success in the job market and to ensure our Nation's continued competitiveness in the global economy. We recognized early on that one of the unintended consequences of No Child Left Behind was that it encouraged States to lower the quality of their K-12 academic standards, primarily to avoid the law's overly prescriptive school improvement requirements. This is why all of our key initiatives in elementary and secondary education have emphasized the development and adoption of more rigorous college- and career-ready academic standards and aligned assessments. In particular, the Race to the Top program has had a tremendous impact in this area, encouraging the vast majority of States to adopt a common set of State-developed college- and career-ready standards and supporting State consortia as they develop the next generation of high-quality assessments aligned with these standards.

The development and implementation of college- and career-ready standards is also at the core of our proposal to reauthorize title I of the Elementary and Secondary Education Act (ESEA), which would provide resources to States and school districts for this purpose. It is important to recognize, however, that the Department cannot prescribe or impose particular standards or curricula on America's schools, and that the States bear the primary responsibility for developing, adopting, and successfully implementing high-quality academic standards linked to success in college and careers. Our role is to highlight the need for such standards and, wherever possible, create the incentives for States to do the right thing for their students and for our Nation.

College Pathways and Accelerated Learning Program

Our ESEA reauthorization proposal would create other new programs that aim to improve student college and career readiness including the College Pathways and Accelerated Learning program, which would consolidate several current ESEA programs into a single, more comprehensive and flexible authority that supports State and local efforts to better prepare students for college and the workforce by providing college-level and other accelerated courses and instruction, including dual enrollment and early college high school programs, in secondary schools with concentrations of students from low-income families and with low graduation rates. The President's fiscal year 2012 request includes \$86 million for this program.

Carl D. Perkins Career and Technical Education Act

The Department is also in the process of developing a reauthorization proposal for programs under the under the Carl D. Perkins Career and Technical Education Act (Perkins Act). We are looking at options for making the Perkins Act a better vehicle for ensuring that all career and technical education programs are viable and rigorous pathways to postsecondary and career success. College and career pathways provide multiple pathways to the same destination: achievement of both success in college and an upwardly mobile career. These pathways must align academic and technical coursework with challenging postsecondary expectations, as well as industry needs and certifications, and be designed and implemented in close collabo-

ration with employers in order to respond to the changing needs of the global economy. The President's fiscal year 2012 request includes \$1 billion for this program.

PUBLIC-PRIVATE PARTNERSHIPS AS TOOL IN ENSURING COLLEGE- AND CAREER-READINESS

Question. In your opinion, would public-private partnerships be an effective tool? If so, how can we incentivize educational institutions to create partnerships with businesses to develop effective programs?

Answer. Public-private partnerships can definitely be a valuable tool for helping young people acquire the knowledge and skills that employers are looking for. Surveys of business leaders show that, despite the high unemployment rate, they are having difficulty finding sufficiently skilled workers to fill many job openings. However, few business leaders report that they are working with postsecondary institutions to help them improve programs that prepare individuals for careers.

The Department is currently developing its reauthorization proposal for the Carl D. Perkins Career and Technical Education Act. One of the issues we are considering is how to create incentives for educational institutions and businesses to work together to ensure that students acquire the knowledge and skills they need to get good jobs and succeed in high-wage, high-skill careers.

SUPPLEMENTAL EDUCATIONAL SERVICES OVERSIGHT

Question. Many educators in my State have voiced concern about the lack of proper oversight of title I funds for supplemental educational services (SES). How can we ensure that these valuable funds are being used effectively and in the best interest of students?

Answer. Under the ESEA, States are responsible for approving SES providers and monitoring provider performance in providing tutoring and other academic enrichment services to eligible students. To help States carry out these responsibilities, the Department in recent years has provided extensive technical assistance to States on questions and issues related to the provision of SES, including questions regarding the allowable use of title I funds by providers for specific activities and incentives. The Department also monitors the implementation of SES, sometimes including the delivery of services by particular providers, as part of the title I monitoring process.

SUPPLEMENTAL EDUCATIONAL SERVICES EVALUATION

Question. What level of evaluation of the impact of SES on student achievement is currently underway?

Answer. The Department is currently completing a rigorous evaluation of the impact of supplemental educational services on individual student achievement in six school districts with approximately 24,000 students eligible for SES. The study also will examine whether the impact of SES on student achievement is associated with particular characteristics of services, providers, students, or practices in the school district. This study currently is undergoing peer review and is expected to be released by the end of 2011.

COMMON CORE STATE STANDARDS

Question. What do you think about the new Common Core State Standards and the corresponding Partnership for Assessment of Readiness for College and Careers assessment system?

Answer. The administration believes the adoption of State-developed, college- and career-ready academic standards is an essential first step toward developing next generation accountability systems that will help students prepare more effectively for college and careers and ensure that our Nation is able to compete successfully in the global economy of the 21st century. As a result of the leadership of our Governors and Chief State School Officers, the vast majority of States have now voluntarily adopted common, college- and career-ready standards. The administration also believes that the development and implementation of new State assessments linked to these standards, including the work currently under way by the Partnership for Assessment of Readiness for College and Careers, will be a game-changer in public education. These new assessments will, for the first time, effectively measure whether America's students are on track for college and careers while providing teachers with timely, high-quality formative assessments that measure student academic growth and help to improve teaching and learning.

FUNDS FOR IMPLEMENTING ACADEMIC STANDARDS AND ASSESSMENTS

Question. Are you concerned about resources for teachers and schools to implement these Common Core State standards?

Answer. The Department, as enunciated in both its budget requests and in our proposal for reauthorizing the ESEA, intends to continue providing State formula grant funding to help States implement high-quality standards and assessments, as well as competitive grants for States and LEAs to support instruction aligned with college- and career-ready standards. For fiscal year 2012, the President's request includes \$420 million under a reauthorized Assessing Achievement program, as well as \$835 million under a reauthorized Effective Teaching and Learning for a Complete Education program. In addition, the Department believes that the near-universal voluntary adoption of common academic standards by the States is evidence of a commitment to make available the State and local resources required to implement these standards as well as aligned assessments.

AYP WAIVER REQUEST

Question. In March 2011, Arkansas requested that you waive a requirement of NCLB to allow its AYP targets to be held at the 2011–2012 levels until it fully implements the Common Core State Standards (2014–2015 school year). I understand that their request was denied. Did you grant any AYP waivers?

Answer. No, we have not granted any waivers of adequate yearly progress (AYP) targets. Several States have submitted amendments to their Accountability Workbooks that are consistent with the ESEA statute and regulations, but these are not waivers.

NO CHILD LEFT BEHIND REQUIREMENTS FLEXIBILITY PLAN

Question. The reason given for the waiver denial was that these issues should be addressed in an Elementary and Secondary Education Authorization bill. As we all know, it is highly unlikely that we will see such a bill this year. Based on that information, will you take a second look at Arkansas's request for a waiver?

Answer. The Department is developing a plan to provide flexibility regarding NCLB requirements for those States that are moving forward with reforms that will increase the quality of instruction and improve student achievement. Final details on the flexibility package will be available in mid-September, and we encourage all interested States, including Arkansas, to request it.

QUESTIONS SUBMITTED BY SENATOR SHERROD BROWN

ELIMINATION OF IN-SCHOOL SUBSIDY FOR UNDERGRADUATE STUDENTS

Question. Last year, the Deficit Reduction panel proposed the elimination of the in-school subsidy for undergraduates as a way to find savings. It is my understanding that this was on the table during debt ceiling recent negotiations. Eliminating the in-school subsidy for undergraduates would have an extremely negative impact on students. How does the administration plan to balance the needs of middle class students who may qualify for the in-school subsidy, but not the Pell Grant?

Answer. While the Budget Control Act of 2011 eliminated subsidized loans for graduate and professional students—which the administration endorsed as part of its 2012 budget proposal—undergraduate students still retain the ability to take out subsidized loans. Students who are not interested in a Stafford loan, and are not otherwise Pell-eligible, should consider the campus-based aid programs—Supplemental Educational Opportunity Grants (SEOG), Work-Study grants, and Perkins loans—as a good source of aid. Part of the 2012 budget request was to maintain the current level of funding for SEOG and Work-Study, and to reform the Perkins program with \$8.5 billion in volume—eight and one-half times the current volume—which could enable it to reach over 3 million students at over 2,700 institutions.

STUDENT LOAN CONVERSION

Question. In May, I introduced the Student Loan Simplification and Opportunity Act which was a part of the Presidents' Pell Grant Protection Act. This legislation would allow students with both Federal Family Education Loan Program (FFELP) loans and Direct Loans to simplify their loan repayment process and provide borrowers with 2 percent off of their FFELP principal for converting their loans, while saving the Government \$1.8 billion. Does the administration support this policy included in the bill?

Answer. The administration supports the policy as presented in its fiscal year 2012 budget proposal to Congress. The administration believes this policy will make loan repayment simpler for the estimated 6 million split borrowers—those with loans both in the Direct Loan and FFEL programs—and make it less likely they will default as a result.

RACE TO THE TOP—EARLY LEARNING CHALLENGE PROGRAM

Question. In July, Senator Hagan and I introduced the Ready Schools Act of 2011. This legislation is based off of the great work of the Spark Partnership in Ohio and the North Carolina Ready Schools Initiative. This legislation focuses on the importance of school readiness in addition to the student readiness. Early childhood education plays an important role in the short- and long-term success of students. I appreciate your efforts in establishing the Early Learning Challenge Grant Program but am concerned that this funding will only benefit a limited number of children. As childhood poverty rates continue to grow, it is important that we invest in all young children. Why did the Department decide to spend \$500 million for this program when the success of the Race to the Top model is still unknown? What is included in the budget to improve the systematic alignment and delivery of early childhood education?

Answer. The Race to the Top—Early Learning Challenge program will support States that demonstrate their commitment to integrating and aligning resources and policies across all of the State agencies that administer public funds related to early learning and development. Winning States will serve as models of how to build a more unified approach to supporting young children and their families—an approach that increases access to high-quality early learning and development programs and services, and helps ensure that children enter kindergarten with the skills, knowledge, and dispositions toward learning they need to be successful.

All States can undertake this work by using existing funds that support early learning and development from Federal, State, private, and local sources, such as the Child Care and Development Fund, title I and II of the ESEA, the Individuals with Disabilities Act, State-funded preschool programs, and Head Start.

FEDERAL TRIO PROGRAMS

Question. In your fiscal year 2012 budget request, you recommend a \$67 million increase to the TRIO programs. As you know, this is not really an “increase” but rather it provides funding to ensure that the 180 Upward Bound programs funded by the College Cost Reduction and Access Act—including three programs in Ohio—would not have to close their doors in December 2011. In light of recent funding cuts to TRIO in fiscal year 2011, could you reaffirm your commitment to TRIO, particularly the administration’s fiscal year 2012 funding request for the program?

Answer. The administration believes that the Federal TRIO programs play an important role in assisting low-income students and students whose parents never completed college with support and preparation to enter and complete postsecondary education programs. In designing the TRIO competitions for 2012, particularly Upward Bound, the Department is focused on ensuring that grantees pursue strategies and activities that will maximize the number of students to which they can provide high-quality services. The Department also believes that the TRIO programs can play an important role in ensuring that our investment in Pell Grants results in more students persisting and completing because they enroll in postsecondary education better prepared to succeed.

The administration remains committed to increasing college enrollment and completion rates among traditionally underrepresented populations. In demonstration of this commitment, we have prioritized protecting the \$5,550 maximum Pell Grant award in fiscal year 2012 and beyond, with the goal of ensuring that more than 9 million low-income students can continue to rely on Pell Grants to enter into, and complete, a postsecondary education. However, low-income students need more than just financial support to enter and complete college; they also need supportive services like those provided by our Federal TRIO programs.

TECH PREP PROGRAM

Question. The Tech Prep program provides college and career training for students beginning in high school so that they are prepared for success in business and industry. This program also helps to ensure more students are on the path to complete higher education and thus the United States is on the path to compete in a global economy. Why did the administration choose to merge the Tech Prep State Grant with the title I basic State grant and then reduce the overall appropriation?

Answer. The Tech Prep program duplicates activities authorized under the Career and Technical Education (CTE) State Grants program. The purpose of the Tech Prep program is to support development and implementation of programs of non-duplicative, sequential courses of study that incorporate secondary education and postsecondary education with work-based learning experiences. However, the CTE State Grants program also requires States to develop these types of programs, and to do so within the larger context of CTE programs within the State. In addition, 28 States consolidated at least a portion, and generally all, of their Tech Prep funds into State Grants during school year 2010–2011.

In order to maintain fiscal discipline by placing a priority on programs that are most aligned with the President's reform agenda and most likely to demonstrate results, the Department did request a reduction in funding for CTE for fiscal year 2012. While CTE is vitally important to America's future, the Perkins CTE program as it is currently structured is not operating in a way that produces optimal results for students. The Department is currently engaged in developing our reauthorization proposal for the Carl D. Perkins Career and Technical Education Act. Our intent is to develop a proposal that will improve the statute by ensuring that all CTE programs become viable and rigorous pathways to postsecondary and career success, providing students with the career skills necessary to compete in a global marketplace, and collecting better program performance data.

FAMILY ENGAGEMENT IN EDUCATIONAL OUTCOMES FOR CHILDREN

Question. I have heard a lot of discussion about family engagement in education from the administration, which is a step in the right direction. In your blueprint for ESEA reauthorization, you propose the establishment of a Family Engagement and Responsibility Fund, along with an increase in the title I set-aside for family engagement initiatives. However, the Parent Information Resource Center (PIRC) funds are consolidated in the Department 2012 budget. Parental Information and Resource Centers exist to work in partnership with, and build the capacity of, State and local educational agencies and provide technical assistance on implementing research-based and effective family engagement strategies.

How does the administration plan to ensure that districts and States build their capacity to carry out this work without the PIRC program?

Answer. Enhancing family engagement is crucial to improving educational outcomes for children, and the administration's budget and Elementary and Secondary Education Act (ESEA) reauthorization proposals reflect our commitment to making sure that families are informed of and better involved in the educational opportunities available in their community. The Department is also committed to pursuing actions that will help build the capacity of States, school districts, and schools to effectively leverage resources for strengthening family engagement in education. As you mentioned, the administration's ESEA reauthorization proposal for the renamed College- and Career-Ready Students (CCRS) program (currently title I grants to local educational agencies) would significantly increase State and local spending on parent and family engagement activities, ensuring that every district receiving title I funds is developing and implementing a family engagement plan focused on raising student achievement and developing promising new strategies to engage parents and families. States would be permitted to reserve up to 5 percent of their title I, part A allocations to carry out activities to build State and local capacity to improve student achievement, including by improving capacity to carry out effective family engagement strategies.

Family Engagement and Responsibility Fund

States also would be permitted to set aside up to 1 percent of their title I, part A allocations to fund programs that support family engagement and to identify and disseminate best practices in this area. This Family Engagement and Responsibility Fund would support and expand district-level best practices, with a priority for evidence-based parental involvement activities. PIRCs, along with districts, community-based organizations, and other nonprofit organizations, would be eligible to compete for these funds.

Title I Set-aside and Family Engagement

Our reauthorization proposal would also double the local title I set-aside for parent and family engagement, from 1 to 2 percent, increasing the total from about \$145 million to approximately \$270 million. PIRCs would be eligible to partner with school districts or consortia of school districts in implementing activities funded under this set-aside. Additional elements of the administration reauthorization proposal (including our proposals for Safe and Healthy Students, Promise Neighbor-

hoods, and Expanding Educational Options) would also focus specifically on issues related to family engagement.

Capacity Building and Technical Assistance for Family Engagement Activities

Finally, you asked about the Department's plan to provide capacity-building and technical assistance to States and districts on family engagement in education. We will continue to support these goals through our new Implementation and Support Unit (ISU), in the Office of the Deputy Secretary, and through programs like the Comprehensive Centers. The ISU provides technical assistance directly to States implementing comprehensive reforms under the Education Jobs Fund, Race to the Top, Race to the Top Assessment, and State Fiscal Stabilization Fund programs. The Comprehensive Centers also help increase State capacity to assist districts and schools in meeting their student achievement goals. In fiscal year 2012, the Department will make approximately 21 new competitive grant awards to support the first year of a second cohort of Comprehensive Centers. Because family engagement is a priority for the administration and for the Secretary, it will be one of the key issues addressed through these efforts.

SCHOOL-BASED COUNSELING PROGRAMS

Question. School counselors, school psychologists, and school social workers provide counseling and other learning support services to students who are struggling with issues that create barriers to learning. The Elementary and Secondary School Counseling Program is the only Federal grant specifically targeted to providing assistance to school districts to establish and enhance school counseling programs, including ensuring access to these highly trained professionals to address students' social and emotional needs. Given the serious impact on students' academic success that children can face because of anxiety related to a parent's military deployment, issues related to homelessness, or other types of mental illness, as well as the need for prevention and early intervention to avoid more serious problems, how will the priorities of the Elementary and Secondary School Counseling Program be preserved under the proposed consolidation program?

Answer. The administration is committed to addressing student mental health issues and believes that school-based counseling programs offer great promise for improving prevention, diagnosis, and access to treatment for children and adolescents.

Successful, Safe, and Healthy Students Program

Under the proposed Successful, Safe, and Healthy Students program, State educational agencies (SEAs), high-need local educational agencies (LEAs), and their partners, that are interested in establishing or expanding elementary and secondary school counseling programs would be eligible to apply for competitive grant funding to develop and implement programs that measure and improve conditions for learning based on local needs. The administration believes that this broader, more flexible approach, through which grantees could address students' mental health and related social needs comprehensively, rather than a narrowly focused program, would be more successful in building State, district, and school capacity and in providing the resources necessary to design and implement strategies for promoting healthy development and successful students.

PROMISE NEIGHBORHOODS APPLICATIONS

Question. There were 339 communities who applied for \$10 million in Promise Neighborhoods funding in fiscal year 2010. More than 80 of these communities scored 80 or higher on the application process. Nine of these communities were in Ohio. Many of these communities would have been awarded planning grants if additional funding were available. I am pleased that for fiscal year 2011, there is \$30 million available for Promise Neighborhoods, and that ED is offering implementation grants, in addition to a second round of planning grants. I understand that the notice of intent for this second round was due last week; do you have a sense of how many communities applied for the new implementation? Specifically, do you know how many communities are seeking implementation verse planning grants?

Answer. As of the July 22 deadline for Intent to Apply in the fiscal year 2011 competition, 501 entities had submitted their intent for the planning grant competition and 161 entities had submitted their intent for the implementation grant competition. The deadline to submit a full application for both the planning and implementation grant competitions is September 6, 2011.

PROMISE NEIGHBORHOODS FUNDING

Question. What is the Department of Education doing to meet the national need and demand for Promise Neighborhoods?

Answer. The President's fiscal year 2012 budget request includes \$150 million to provide continued funding to fiscal year 2011 implementation grantees in addition to funding a new round of planning and implementation grants. We consider this a priority within our 2012 budget request. In addition, as part of the White House Neighborhood Revitalization Initiative (NRI), the Department is partnering with other Federal agencies to provide comprehensive technical assistance to additional communities, many of which have expressed interest in the Promise Neighborhoods program, as part of the NRI's Building Neighborhood Capacity program. This program will support organizations with limited capacity, but serving high-poverty neighborhoods, through hands-on technical assistance. Designed to serve an initial cohort of five neighborhoods, the program will provide an online resource center and leverage assistance from multiple Federal agencies and other sources in support of local neighborhood revitalization initiatives.

TECHNICAL ASSISTANCE TO PROMISE NEIGHBORHOODS GRANTEES

Question. For those communities who did receive planning grants, how is the Department providing the necessary coaching and technical assistance needed to ensure success?

Answer. The fiscal year 2010 appropriation did not provide Federal resources to support coaching or technical assistance for the planning grantees. Nevertheless, the Promise Neighborhoods Institute (PNI), an independent, foundation-supported nonprofit resource, is meeting many of the needs of the communities. PNI offers tools, information, and strategies to assist any community interested in participating in the Promise Neighborhoods program. In addition, PNI provides technical support directly to the program's grantees for planning, identifying quality approaches, building partnerships, assessing needs, and many more essentials for successfully building a Promise Neighborhood. The \$30 million fiscal year 2011 appropriation will support national activities, including technical assistance for the first cohort of Promise Neighborhood implementation grantees.

QUESTIONS SUBMITTED BY SENATOR RICHARD C. SHELBY

PELL GRANTS FUNDING

Question. The unsustainable growth in the costs of the Pell Grant program continues to be an anchor dragging down the entire budget for the Department of Education. While the fiscal year 2012 budget request does propose some policy changes to address the growth in Pell Grant costs, the administration also proposes a \$5.6 billion increase in discretionary funding. How will the fiscal year 2012 budget request address the fiscally unsustainable path of the Pell Grant program?

Answer. The President's budget for fiscal year 2012 seeks to protect the \$5,550 maximum award for those students with the greatest need, while also finding ways to reduce the overall cost impact of the Pell Grant program. One way the request does this is by not seeking to raise the maximum award, instead keeping it level with the prior 2 years. Additionally, in the President's budget, the administration outlined a comprehensive plan to cover rising Pell Grant costs and help close the program's shortfall through changes to other student aid programs, and changes to the administration of Pell itself. In total, these changes are estimated to save \$10 billion over 10 years.

REDUCING PELL GRANTS COSTS

Question. Specifically, how is the administration proposing to reduce the overall rapid cost growth in the Pell Grant program?

Answer. The Department's plan for reducing Pell Grant costs specifically includes eliminating the availability of a second Pell Grant in an award year, FAFSA simplification, creating easier student repayment through a debt conversion plan, expanding and modernizing the Perkins Loan program so it can assist more students, replacing the TEACH Grants program with Presidential Teaching Fellows, creating the College Completion Incentive Grants program to achieve better outcomes for students, and eliminating subsidized loans for graduate and professional students. Two of these policy proposals—the elimination of the second Pell Grant in an award year, and the elimination of subsidized loans to graduate and professional students—have already been adopted by Congress. In total, the Department estimates

these changes will reduce Pell's discretionary appropriations need by \$13.2 billion in 2012 alone.

STATE AUTHORIZATION OF DISTANCE EDUCATION PROGRAMS

Question. There continues to be concerns raised by colleges and universities regarding State authorization provisions under the proposed Program Integrity regulations and the potential impact on access to distance education at higher education institutions. At the risk of losing Federal financial aid, colleges and universities will be required to request permission to offer their distance education programs in every State in which a student is located while receiving instruction. Many States already have legislation that requires registration. Why is the Department of Education moving forward with regulations where States already have efficient and equitable policies in place regarding distance learning?

Answer. The Department's regulations governing State authorization of distance education programs simply required institutions to comply with State laws where they exist; it imposed no additional requirements beyond being able to demonstrate that they complied with State law where those laws exist. A Federal court recently took action to strike the provision of the Department's regulation but did not overturn State law. The United States is still evaluating whether to appeal.

With that said, Alabama has set high standards and imposed significant charges on institutions that offer distance learning in the State. While we do not endorse these requirements, we do acknowledge that each State has the ability to regulate higher education institutions operating in the State.

Question. How will the Department ensure universities that have already been approved by their home State's Higher Education Commission and accredited by the relevant regional accrediting authority that they will not be unduly burdened by duplicative, costly, time consuming, and academically unnecessary regulations?

Answer. The Department's regulations governing State authorization of distance education programs simply required institutions to comply with State laws where they exist; it imposed no additional requirements beyond being able to demonstrate that they complied with State law where those laws exist. A Federal court recently took action to strike the provision of the Department's regulation but did not overturn State law. The United States is still evaluating whether to appeal.

With that said, Alabama has set high standards and imposed significant charges on institutions that offer distance learning in the State. While we do not endorse these requirements, we do acknowledge that each State has the ability to regulate higher education institutions operating in the State. So, States, including Alabama, can take steps to reduce the burden imposed on institutions of higher education if they believe those burdens are duplicative, costly, time consuming, and academically unnecessary. The Federal Government ought not to limit the authority of States but if that were to be done it would involve preempting State laws. Such preemption would require either congressional action or a regulatory action. Such regulations would need to be developed consistent with the Executive Order of Federalism signed by President Reagan.

HIGH SCHOOL GRADUATION INITIATIVE AND THE COLLEGE PATHWAYS AND ACCELERATED LEARNING PROGRAM

Question. The fiscal year 2012 Department of Education budget request proposes to consolidate 38 programs into 11 new authorities in line with the administration's Elementary and Secondary Education Act reauthorization proposal. Beginning in 2010, the Mobile County School System will receive nearly \$9 million over 5 years under the High School Graduation Initiative to support the implementation of effective, sustainable, and coordinated dropout prevention and reentry efforts in high schools. However, the fiscal year 2012 budget request would eliminate the High School Graduation Initiative and replace the program with a new College Pathways and Accelerated Learning program. How will the Department of Education ensure that schools who have been awarded funding under the High School Graduation Initiative continue to receive their promised funding under the budget request?

Answer. The administration's proposal for the College Pathways and Accelerated Learning program would require the Secretary to reserve funds to pay for grants made under the High School Graduation Initiative and Advanced Placement programs through the grants' completion.

QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

TARGETING OF TITLE I FUNDS TO LOCAL EDUCATIONAL AGENCIES

Question. It is clear that the funds appropriated for title I could be distributed in a more equitable manner that targets those for whom the program is intended: children in concentrated poverty. Is the Department of Education actively pursuing potential changes to title I distribution formulas to ensure Federal education funding better reaches disadvantaged children?

Answer. The administration is strongly committed to ensuring that title I funds are targeted to high-poverty schools, regardless of geographic location, and stands ready to work with the Congress, through the reauthorization process, on ways to improve the targeting of title I funds.

NATIONAL NOT-FOR-PROFIT ORGANIZATIONS AND THE IMPROVING TEACHER QUALITY STATE GRANTS PROGRAM

Question. There continues to be concern with the consolidation of existing programs into 11 new authorities in the administration's reauthorization proposal for the Elementary and Secondary Education Act. Specifically, the Department of Education budget appears to direct funding to programs for States and localities without a path for national not-for-profit organizations with a proven track record to compete. In fiscal year 2011 Congress addressed this concern by including a 1 percent set aside under the Improving Teacher Quality State Grants program for a competition for national not-for-profit organizations that provide teacher training or professional development activities. When does the Department of Education intend to have a competition for national not-for-profit (NFP) organizations under the Improving Teacher Quality State Grants program?

Answer. A notice inviting applications for new awards under this set-aside was published in the Federal Register on September 8, 2011. Our goal is to make awards in early 2012, well before the period of availability ends on September 30, 2012.

NATIONAL NFP ORGANIZATIONS SET-ASIDE COMPETITION

Question. Can you please provide details to this subcommittee on how the Department intends to conduct a competition for these funds, including any expected priorities for the competition?

Answer. Through the new Supporting Effective Educator Development competition, the Department will make grants to national non-profit organizations to support projects that are supported by at least moderate evidence, as defined in the notice inviting applications. Grantees will use the funds to recruit, select, and prepare or provide professional enhancement activities for teachers or for teachers and principals.

Supporting Effective Educator Development Competition Absolute Priorities

An applicant may apply under any of three absolute priorities:

- Under Absolute Priority 1, the Department will support the creation or reform of practices, strategies, or programs that are designed to increase the number or percentage of teachers (or teachers and principals) who are highly effective, especially teachers (or teachers and principals) who serve concentrations of high-need students, by identifying, recruiting, and preparing highly effective teachers or teachers and principals. To meet this priority, an applicant must propose a plan demonstrating that teacher or principal participation in the applicant's proposed activities will be determined through a rigorous, competitive selection process.
- Under Absolute Priority 2, we will support projects that will increase the quality of student literacy and writing by creating or reforming practices, strategies, or programs that improve teachers' knowledge, understanding, and teaching of English language arts with a specific focus on writing through high-quality professional development or professional enhancement programs.
- Under Absolute Priority 3, the Department will fund projects that encourage and support teachers or teachers and principals seeking advanced certification or advanced credentialing through high-quality professional enhancement programs designed to improve teaching and learning for teachers or for teachers and principals. To meet this priority, an applicant must demonstrate or propose a plan to demonstrate that the award of the advanced certification or advanced credential will be determined on the basis of a rigorous evaluation with multiple measures that include measures of student academic growth.

The Department will also award points in this competition based on two competitive preference priorities. An applicant may receive additional points by proposing:

- a project that is supported by strong evidence of effectiveness (as defined in the notice inviting applications), or
- a project that is designed to significantly increase efficiency in the use of time, staff, money, or other resources while improving student learning or other educational outcomes. Projects that receive points under the second competitive preference priority may include innovative and sustainable uses of technology, modification of school schedules and teacher compensation systems, use of open educational resources, or other strategies.

NATIONAL NONPROFIT COMPETITIONS AND ESEA REAUTHORIZATION

Question. Will the Department of Education commit to supporting a dedicated funding stream for the same purpose in fiscal year 2012?

Answer. Our proposal for ESEA reauthorization includes several competitions in which many national nonprofit organizations would be eligible to participate. For example, organizations such as Teach for America, the National Writing Project, and the National Board for Professional Teaching Standards, the organizations no longer receiving earmarked assistance, could partner with schools to apply for an Investing in Innovation grant. In addition, Teach for America could compete for funds under the proposed new Teacher and Leader Pathways program. The National Board for Professional Teaching Standards could partner with States in the Teacher and Leader Innovation Fund to strengthen State standards for certification and licensure. The National Writing Project could receive funding under the national activities set-aside in the new Effective Teaching and Learning initiative and could also partner with States on comprehensive literacy strategies.

PROMISE NEIGHBORHOODS COMPETITION—ABSOLUTE PRIORITY FOR RURAL COMMUNITIES

Question. The fiscal year 2012 budget request includes \$150 million for the Promise Neighborhoods program, which supports projects designed to improve education and life outcomes for children and youth within a distressed geographic area. The Indianola Promise Community in Mississippi was awarded one of the first Promise Neighborhood grants in fiscal year 2010. However, there are concerns that as the process moves forward the Indianola Promise Community will have to compete on a national scale with large, urban school districts for implementation grant funding. Please provide details on the steps that the Department has taken under the Promise Neighborhoods program to ensure rural communities can compete for grant funding to implement reform efforts.

Answer. In fiscal year 2010, the Department included an absolute priority for rural communities applying for Promise Neighborhood grants. The Delta Health Alliance in Indianola applied for and received a planning grant under this rural community priority. The fiscal year 2011 competition again includes an absolute priority for rural communities as well as tribal communities, for both planning and implementation grants, in order to ensure that communities such as Indianola are able to compete on a national scale for Promise Neighborhood funding.

IMPROVING COMPETITIVE STANCE OF RURAL COMMUNITIES FOR EDUCATION FUNDING

Question. Does the Department plan to take similar steps in the future to ensure that rural communities are less disadvantaged under competitive grant opportunities, as it has with the Promise Neighborhoods and Investing in Innovation programs?

Answer. Through the rulemaking process, the Secretary has created supplemental priorities to target funds to high-priority areas. These priorities include a priority for improving the achievement and high school graduation rates of students in rural school districts. The Department is considering applying this priority in competitions for absolute or competitive preference in a number of programs for fiscal year 2012.

INNOVATIVE STRATEGIES IN EARLY LEARNING

Question. The Department recently announced that \$500 million of the fiscal year 2011 funding for the Race to the Top program will be awarded to States to help build comprehensive early learning systems. For fiscal year 2012, the administration requested an additional \$900 million for the Race to the Top program and \$350 million for a new Early Learning Challenge Fund. What plan does the Department have in place to ensure that funding awarded through Race to the Top or the Early Learning Challenge Fund prioritizes innovative strategies for early learning, including the implementation and expansion of full-day kindergarten?

Answer. We want to provide funding to support the important work of transforming early learning programs and services from a patchwork of disconnected programs with uneven quality into a coordinated system that prepares children for success in school and in life. The purpose of the Race to the Top-Early Learning Challenge (RTT-ELC) program, which we are implementing with about \$500 million of the fiscal year 2011 appropriation for Race to the Top, is to improve the quality of early learning and development and close the achievement gap for children with high needs. The overarching goal is to make sure that many more children, especially children with high-needs, enter kindergarten ready to succeed. The competition for RTT-ELC grants also includes an invitational priority to encourage States to sustain positive early learning program effects in the early elementary grades.

GEOGRAPHY EDUCATION

Question. According to results from the National Assessment of Educational Progress that were released on July 19, 2011, fewer than one-third of the Nation's students achieve at or above the proficient level in geography. As the sponsor of S. 434, the "Teaching Geography Is Fundamental Act," which would create a dedicated program to improve geographic literacy, these recent results are gravely concerning. Will the Department of Education commit to do more to ensure that funding is directed to geographic education activities?

Answer. The Department is committed to ensuring that our Nation's students have access to high-quality instruction across academic content areas. Our proposal to reauthorize the Elementary and Secondary Education Act (ESEA) includes the Effective Teaching and Learning for a Well-Rounded Education program, which would support efforts to improve instruction in a wide range of subjects, including geography, while providing States and local school districts with greater flexibility to meet the needs of their students and teachers. The President's fiscal year 2012 request includes \$246 million for this new program.

Although geography is included among the subjects in the current ESEA definition of "core academic subjects," geography education is not the focus of any current ESEA program and, thus, most likely does not receive significant Federal support under current law. Enactment of the Effective Teaching and Learning for a Well-Rounded Education program would give the Department and grantees a better vehicle for supporting the evaluation and expansion of geography education programs as well as efforts to integrate geography more prominently in instruction in other subject areas.

CAREER AND TECHNICAL EDUCATION

Question. Across the country, unemployment levels are still high, but there are jobs available for individuals with the right skill sets. The Career and Technical Education program works to ensure that students have the academic, technical and employability skills necessary for career readiness in the current workforce. In fiscal year 2012, the Department of Education budget request proposes an almost \$125 million reduction to the Career and Technical Education State Grants. How will the Department of Education ensure that schools can continue to offer Career and Technical Education programs to help students attain these skills with a decrease in funding?

Answer. While CTE is vitally important to America's future, the Perkins CTE program as it is currently structured is not operating in a way that produces optimal results for students. The Department is currently engaged in developing our reauthorization proposal for the Carl D. Perkins Career and Technical Education Act. Our intent is to develop a proposal that will improve the statute by ensuring that all CTE programs become viable and rigorous pathways to postsecondary and career success, providing students with the career skills necessary to compete in a global marketplace, and collecting better program performance data.

QUESTIONS SUBMITTED BY SENATOR LINDSEY GRAHAM

INCENTIVE COMPENSATION REGULATIONS

Question. It is my understanding that recent sub-regulatory language related to incentive compensation rules issued by your Department would prohibit one or two entities from providing support services to other colleges and universities, services that other companies can provide without reservation. If this is accurate, this regulation would be arbitrarily picking winners and losers. It is difficult to comprehend either the statutory grounds or rationale for interfering with the provision of services to educational institutions.

In order to better understand the intent of the regulation, I respectfully request clarity on the statutory grounds and why the Department would choose to include some institutions under the regulation while leaving others out.

Answer. On March 17, 2011, the Department issued guidance related to several areas of program integrity, including the issue of incentive compensation. This guidance was designed to assist institutions in understanding the regulations and provide examples of permissible activities. The guidance provided in this letter, and the regulations in general, seek to ensure title IV aid at all institutions is used to successfully train students.

Please be aware that there is no prohibition upon any entity providing support services to another entity. The only prohibition is upon the manner in which compensation may be provided should one of those services involve student recruitment. Pursuant to section 487(a)(20) of the HEA an “institution will not provide any commission, bonus, or other incentive payment based directly or indirectly on success in securing enrollments or financial aid to any persons or entities engaged in any student recruiting or admission activities or in making decisions regarding the award of student financial assistance.” It is that statutory provision which the Department is enforcing when it monitors the manner in which student recruitment activities are compensated.

TITLE VI CENTERS FOR INTERNATIONAL BUSINESS EDUCATION (CIBER) PROGRAM

Question. For fiscal year 2011, your Department cut the title VI Centers for International Business Education and Research (CIBER) program by 55 percent. Over two decades, CIBERs have been engaged in cutting-edge activities to strengthen the Nation’s global economic competitiveness on many levels.

I respectfully request detailed information on CIBERs’ recent role in supporting an increase in our country’s exports, including collaboration with business and government on the President’s National Export Initiative. I also request information on how CIBERs have enhanced institutes of higher education, including underrepresented institutions such as HBCUs, MSIs, and community colleges, in meeting global demand for a competitive workforce.

Answer. In response to President Obama’s recent announcement of the National Export Initiative, which calls for increased resources to expand international trade, the U.S. Commercial Service—the trade promotion arm of the U.S. Department of Commerce’s International Trade Administration—plans to increase its efforts to move U.S. companies into new and emerging markets. The CIBERs have a good track record with the U.S. Department of Commerce and will work with President Obama’s National Export Initiative, either directly or indirectly, by holding conferences and assisting businesses to improve their export strategies.

In the 2010 CIBER competition, the Department encouraged the applicants to help improve internationalization at minority-serving institutions (MSIs). Many applicants responded to the priority by incorporating activities into their 2010–2013 CIBER projects. For example, Michigan State University hosts a bi-annual training program for community colleges where the Commerce Department’s teaching materials are featured.

As outreach to other constituencies, a number of CIBERs have developed 4-year training programs for faculty from HBCUs. The program includes mentoring institutions as well as individual faculty and providing for faculty study abroad. The program will be extended to Hispanic-Serving Institutions, and three CIBERs—Colorado, Hawaii, and Washington—will work with Alaska Native, Native Hawaiian, and Native American students and faculty during the 2010–2014 cycle.

In partnership with the University of Memphis, CIBERs and the Institute of International Public Policy, which is operated by the United Negro College Fund Special Programs Corporation, have been working with 46 Historically Black Colleges and Universities (HBCUs) to enhance understanding of interdisciplinary international business education. The consortium has been engaged in equipping HBCU faculty with discipline specific international knowledge, pedagogical tools, research methodologies, and study abroad experiences to incorporate international content into existing business courses and/or develop new courses, and to increase international business research. An integral component of the program is one-on-one assistance provided by the sponsoring CIBERs to their respective HBCUs in the implementation of international business education programs on HBCU campuses and in acquiring Federal grants to support these efforts.

CIBERs at Brigham Young University and the University of Colorado at Denver support a consortium of 36 community colleges and universities across 10 western States to provide CIBER programs to the region’s small and medium-sized rural institutions and to facilitate the sharing of resources among regional schools with de-

veloping international business expertise. The consortium is now reaching out to Tribal Colleges and Universities (TCUs) recognized by the American Indian Higher Education Consortium, as 23 TCUs are located in 10 States with a significant number of Native American students.

NATIONAL IMPACT OF FISCAL YEAR 2011 BUDGET CUTS ON CIBERS

Question. Lastly, what has been the impact of the cuts on CIBERs nationally and their ability to continue their legislative mandates?

Answer. Besides producing the majority of internationally prepared business students and entrepreneurs, CIBERs are designed to serve as regional and national resources to businesses, students, and academics. The CIBERs are the equivalent of the National Resource Centers (NRCs) in Schools of Business. Most are located at major U.S. universities.

The most recent competition for new awards was held in fiscal year 2010 and 33 grants averaging \$386,576 were awarded. The CIBER allocation in 2011 is \$5.7 million, a reduction of \$7 million or 55 percent, below the 2010 funding. The reduced funding in 2011 will likely hamper activities supported by the CIBER program. Outreach to business, including export development; business language training and other interdisciplinary programs; outreach and faculty development to minority-serving institutions, community colleges, other colleges and universities, and K–12 schools in the 50 States; practical, policy-oriented international business research; and study abroad and international internships could be eliminated or reduced.

PLAN FOR CIBER PROGRAM FUNDING IN FISCAL YEAR 2012

Question. What is your plan for CIBER program funding in fiscal year 2012?

Answer. The Department is currently supporting 33 universities, designated as CIBERS, who were awarded multi-year grants in fiscal year 2010. Fiscal year 2012 funds would be used to cover, to the extent possible, funding for the third year of the 4-year grants.

Currently funded CIBERS institutions are: Brigham Young University, Columbia University, Duke University, Florida International University, George Washington University, Georgia Institute of Technology, Georgia State University, Indiana University, Michigan State University, Ohio State University, Purdue University, San Diego State University, Temple University, Texas A&M University, University of California, LA, University of Colorado at Denver, University of Connecticut, University of Florida, University of Hawaii at Manoa, University of Illinois at Urbana-Champaign, University of Maryland, University of Memphis, University of Miami, University of Michigan, University of Minnesota, University of North Carolina—Chapel Hill, University of Pennsylvania, University of Pittsburgh, University of South Carolina, University of Southern California, University of Texas—Austin, University of Washington, and University of Wisconsin—Madison.

QUESTIONS SUBMITTED BY SENATOR JERRY MORAN

POSSIBLE WAIVERS OF ESEA REQUIREMENTS

Question. Secretary Duncan, you have stated recently that if reauthorization of the Elementary and Secondary Education Act (ESEA) is not completed by this September, you will look to issue States conditional waivers from No Child Left Behind's most troublesome requirements provided that States agree to make certain changes to their education systems. Specifically, what No Child Left Behind requirements would you waive for States and what changes would you require of States to receive such waivers?

Answer. The Department is still working out the details of possible flexibility from ESEA requirements pending the completion of reauthorization, and expects to announce the specifics in mid-September.

MEASURING STUDENT ACADEMIC GROWTH

Question. Mr. Secretary, last March, your Department released its Blueprint for the Reauthorization of ESEA, which outlined in broad terms proposed changes to the current law, including the development of new assessments of student growth. What do you see as the ideal "growth models" for States to measure individual student performance and how will these models be different from current "adequate yearly progress" (AYP) standards?

Answer. The Department believes that there are a number of valid and reliable methods for measuring student academic growth that States would be able to choose

from to meet the requirements of our reauthorization proposal. The key benefit of growth models is that they will track the academic progress of individual students over time, as opposed to simply measuring the percentage of students who have reached grade-level proficiency in a particular subject at a particular point in time, as under most assessment and accountability systems used by States under current law. The Department's reauthorization proposal would continue to require States to set performance targets for schools, similar to current AYP requirements, but schools would be able to meet such targets either by demonstrating that students are "on track" to college- and career-readiness or making adequate progress toward being on track to college- and career-readiness.

IMPACT OF THE ESEA ON STUDENT ACHIEVEMENT

Question. We all know that education is a primary key to increasing our country's global competitiveness. Knowledge and human capital are what drive innovation, entrepreneurship, and growth. We talk a lot about holding our schools and teachers accountable for creating our leaders of tomorrow, but we also need to hold ourselves accountable. Since the ESEA was enacted more than 45 years ago, Federal per-pupil spending has nearly tripled. However, our national graduation rates and other academic achievement measures have remained relatively flat and we have fallen in international education ranking. Considering these measures, why have we failed to improve and what are some examples you have seen in your travels across the country that represent a fresh approach where schools are raising the bar for student achievement?

Answer. I believe a number of factors have been holding us back educationally despite decades of effort to improve academic and other outcomes at the Federal, State, and local levels. First, I believe we have set the bar too low. We all know that young people tend to perform up to expectations, and our expectations for academic achievement in core subjects, as reflected in State standards and assessments, have simply been lower than many of our strongest economic competitors have for their students. In part this "dumbing down" of standards and assessments has been due to flawed and overly prescriptive accountability requirements, such as those we have experienced over the past decade under No Child Left Behind. The administration's response to these problems has been to encourage and create incentives for States to raise their standards, and thanks to the leadership of our Nation's Governors and Chief State School Officers, we have seen great success in this area with the voluntary adoption of common, State-developed, college- and career-ready standards by the vast majority of States over the past 2 years. And we are proposing to create, through the reauthorization of the ESEA, more nuanced accountability systems that ask States and school districts to focus their attention and support on the lowest-performing schools and schools with the largest achievement gaps, while also giving them considerable flexibility to develop and implement their own improvement strategies for most schools.

Teacher Recognition and Academic Achievement

Another issue is that we have not treated our teachers like the professionals that they are: we must provide needed support, reward excellence, and create incentives for our best teachers to work in our toughest schools. A key first step toward elevating the teaching profession is the development and implementation of rigorous and fair teacher evaluation systems that will help us identify, support, learn from, and reward effective teachers. We have been promoting the creation of those systems in several of our key initiatives, including Race to the Top, the Teacher Incentive Fund, School Improvement Grants, and our ESEA reauthorization proposal.

Examples of Innovative Approaches to Ensuring Academic Success

Despite these challenges to excellence in our education system, many districts and schools are finding innovative ways to make extraordinary progress in preparing their students for success in college and careers as well as for lifelong and active participation in our democracy. For example, Mooresville Graded School District in North Carolina has launched a Digital Conversion Initiative to promote the use of technology to improve teaching and learning. The district has provided laptops to every 4th to 12th grade student and interactive SMART Boards and Slates and Response Devices have been employed in every K-3 classroom. In addition to the use of computers as instructional tools, the Digital Conversion Initiative has resulted in a shift to digital textbooks with content that is aligned with State standards. Traditional textbooks may still be used, but generally as supplemental materials. The use of digital textbooks and other technology can increase student achievement and enhance the learning of 21st century skills.

In Florida, the Florida Virtual School also taps into technology to provide online learning options for students in grades K–12. The school has modified the way most traditional public school systems work by moving to a completely results-based funding model in which a school receives funding only for students who successfully complete courses. It allows students to progress at their own pace—usually faster than normal seat-time classes would allow—and provides many traditional schools economical options for providing courses they would have difficulty staffing locally.

And in Mobile, Alabama, George Hall Elementary School underwent a restructuring plan that involved hiring a new principal and replacing a majority of school staff. The new staff signed contracts to stay at the school for at least 5 years. The principal focused on developing staff cohesion, a positive culture, and a curriculum that was aligned with State standards and connected from one grade level to the next. Since then student achievement has risen sharply. In reading, the percentage of students scoring at or above the proficient level almost doubled from 24 percent in 2003–2004 to 43 percent in 2004–2005; math gains were even larger, rising from 34 percent to 69 percent. By 2008–2009, the percentage of students who scored proficient or above reached 90 percent in reading and 94 percent in math.

CAREER AND TECHNICAL EDUCATION

Question. In Kansas and many other States, career and technical education is critical to economic growth and expansion of a competitive workforce. Your Department's Blueprint for the Reauthorization of ESEA references developing and implementing new statewide assessments for career and technical subjects. Specifically, what role do you see career and technical education playing in a reauthorized ESEA?

Answer. For too long, career and technical education (CTE) has been a neglected part of the education reform movement. That neglect must end, and CTE must change its mission to play a key role in the goal of ensuring that all students graduate high school ready for college and careers. President Obama has suggested that every American earn both a high school diploma and a degree or an industry-recognized certification. CTE can and must help ensure that young adults receive those two credentials, both of which are essential to securing a good job.

ESEA TITLE I ACCOUNTABILITY STRUCTURE

Question. Also, how do we successfully incorporate career and technical education and other learning that may take place outside the traditional classroom into ESEA's accountability structure?

Answer. The ESEA title I accountability structure is based on student performance on assessments in reading/language arts and mathematics, as well as additional academic indicators such as high school graduation rates. Students who participate in career and technical education are included in those assessments, but they typically are assessed in the 10th grade, before they begin taking CTE coursework, and the assessments do not measure their progress in CTE.

Many observers of the current title I accountability structure have criticized it as being too focused on reading/language arts and mathematics, which may have resulted in a narrowing of the curriculum. The administration's ESEA reauthorization blueprint includes a number of proposals that would seek to ensure that students have access to a broad, well-rounded curriculum that is not dominated by the tested subjects.

Accountability in Career and Technical Education Programs

In addition, in the context of the upcoming reauthorization of the Carl D. Perkins Career and Technical Education Act, we are seeking to develop mechanisms for holding career and technical education programs appropriately accountable for results—mechanisms that would track student programs in CTE as well as in the academic subjects. We believe that this type of strategy is likely to be more successful than trying to incorporate CTE skill and knowledge acquisition within the title I framework.

CONCLUSION OF HEARINGS

Senator HARKIN. And with that, the—we are done. The subcommittee will stand in recess.

[Whereupon, at 11:40 a.m., Wednesday, July 27, the hearings were concluded, and the subcommittee was recessed, to reconvene subject to the call of the Chair.]