

**DEPARTMENTS OF LABOR, HEALTH AND
HUMAN SERVICES, AND EDUCATION, AND
RELATED AGENCIES APPROPRIATIONS FOR
FISCAL YEAR 2011**

WEDNESDAY, APRIL 14, 2010

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

The subcommittee met at 9:34 a.m., in room SD-138, Dirksen Senate Office Building, Hon. Tom Harkin (chairman) presiding.

Present: Senators Harkin, Landrieu, Reed, Pryor, Cochran, Shelby, and Alexander.

DEPARTMENT OF EDUCATION

OFFICE OF THE SECRETARY

STATEMENT OF HON. ARNE DUNCAN, SECRETARY

OPENING STATEMENT OF SENATOR TOM HARKIN

Senator HARKIN. Good morning. The Senate Appropriations Subcommittee on Labor, Health and Human Services, Education, and Related Agencies will now come to order.

Secretary Duncan, welcome back to the subcommittee. You and I have had many occasions to talk recently, both here and in my home State, about the reauthorization of the Elementary and Secondary Education Act (ESEA).

As you know, we are in the process of holding several reauthorization hearings in the Health, Education, Labor and Pensions (HELP) Committee—not in this subcommittee, in the HELP Committee—and I share your commitment to completing that work this year.

But today, we are here to talk specifically about funding. This is the Appropriations Committee. When it comes to resources, it is a time of both great promise and great peril. While the books on fiscal year 2010 won't be closed for another 6 months, we can already safely predict that the Federal Government will spend far more money on education this year than in any other year in history.

Between the regular 2010 appropriations bill and last year's American Recovery and Reinvestment Act (ARRA), the Education Department will provide more than \$100 billion to States, districts, and higher education programs across the country this year. The State Fiscal Stabilization Fund (SFSF) in particular has been one of the great success stories of the ARRA. That funding is currently

supporting more than 300,000 education jobs across the country and certainly helped to mitigate the effects of the recession.

STUDENT AID AND FISCAL RESPONSIBILITY ACT

Last month, we also celebrated the passage of the Student Aid and Fiscal Responsibility Act. This landmark legislation eliminated wasteful corporate subsidies in the Federal student loan program and strengthened the Pell Grant program.

FISCAL YEAR 2011 BUDGET REQUEST INCREASE OVER 2010

The President's proposed education budget for fiscal year 2011 also holds promise. As we all know, the President's budget holds the line on nonsecurity-related spending overall in fiscal year 2011, but the President pledged to use a scalpel and not an ax to achieve the freeze, and the Department of Education is one of the Federal agencies that would receive an increase of 7.5 percent more than in fiscal year 2010.

EDUCATION LAYOFFS

Despite these positive developments for Federal funding of education, there are many danger signs. That is because the bottom has fallen out for State and local funding in many communities across the country, just as the funding for the SFSF begins to wind down in September of this year. Every day brings more reports about a massive wave of layoffs that could soon strike school districts and institutions of higher education.

Based on estimates we are seeing so far, the number of pink slips for educators could easily top 100,000 this fall. Job cuts of this magnitude would, of course, have a devastating impact on families across the country and could stall the Nation's economic recovery. But they would also take a terrible toll on our education system.

Large numbers of layoffs mean bigger class sizes, fewer program offerings, less time for students to learn in school. It is hard to see how you can get this kind of education reform that you, Mr. Secretary, and Senators on this subcommittee want to achieve if schools are cutting their instructional time.

KEEP OUR EDUCATORS WORKING BILL

That is why later today I will introduce a bill—the Keep Our Educators Working Act. This bill will create a \$23 billion education jobs fund that will provide money to every State for the specific purpose of hiring or retaining school employees next year—teachers, principals, librarians, counselors, custodians, and so on.

And we must act soon. We must act soon. As I said, the money that we had in the ARRA, that was for 2 years, expires September 30 of this year. We know that there are pink slips already going out, maybe as many as 100,000 or more.

But right now, we have to act because State departments of education and local school boards are already making their decisions. They are making their decisions this month in April and in May about what they have to do next year. This is not something that we can fix in August. We have to fix it now. And that is why I will

do everything I can to bring up on the floor of the Senate as soon as possible this \$23 billion funding bill.

Now, why is it \$23 billion? Well, it is about 50 percent of what was in the ARRA. The ARRA provided for 2 years. We are just looking at this as a 1-year shot for next year, and so it is about 50 percent of what we had in the ARRA.

So I just say to you, Mr. Secretary, we are going to do everything we can, and I am going to ask for your help and the President's help in getting this done. As I said, time is of the essence here.

PELL GRANT SHORTFALL

Now, another danger on the horizon is the Pell shortfall. Again, during tough economic times, more students and more financially needy students seek a higher education. That can lead to a temporary funding shortfall in the Pell program. And one of the relatively unheralded accomplishments of the student reconciliation bill was the inclusion of significant funding to address that shortfall.

I want to personally thank you publicly, Mr. Secretary, for working so hard with us to provide those funds. But we are still about \$5.7 billion short in the Pell Grant program. If we don't find a way to make up the difference, every program in our appropriations bill and even programs in other agencies could suffer.

So I am hoping we can continue to work with the administration to fight for the rest of the Pell funding in the upcoming spending bill that we will be reporting out of this subcommittee. And so, we will talk more about those issues soon, but I first want to turn to Senator Cochran for any opening remarks that he would like to offer.

STATEMENT OF SENATOR THAD COCHRAN

Senator COCHRAN. Mr. Chairman, thank you very much for convening this hearing when we review the observations and statement of the distinguished Secretary of Education.

The President has submitted a budget request to the Congress, and it is our obligation to review the request and consider the opinions of those who are involved in education and who have responsibilities for administering the Federal programs supporting education in our country. So it is a very important responsibility, and this subcommittee is going to work hard to try to make sure that we provide the funding that is needed to help ensure that our students throughout the country have opportunities to learn and prosper.

And that is the purpose of our hearing today, to get an overview of the budget and to make sure that we are going to do the right thing in supporting these activities administered by Secretary Duncan and his able staff members.

But you know we really owe a great deal of thanks to the teachers and the administrators throughout the country who really are at the point where the action occurs and where the responsibilities are discharged that make a big difference in the lives of our students. So, with that in mind, we are happy to have you before the subcommittee, Mr. Secretary, and we invite you to proceed to make

whatever comments you think will be helpful to our understanding of the budget request.

Senator HARKIN. Thank you. Thank you very much, Senator Cochran.

Arne Duncan became the ninth Secretary of the U.S. Department of Education on January 20, 2009. Before his appointment, Secretary Duncan served as the chief executive officer of the Chicago Public Schools. Before serving in Chicago, he ran the Ariel Education Initiative, which covered college costs for a group of inner-city youth, and was instrumental in starting a new public elementary school which ranks among the top schools in Chicago.

Secretary Duncan, a graduate of Harvard University, welcome again to the subcommittee. And Mr. Secretary, your statement will be made a part of the record in its entirety, and please proceed as you so desire.

SUMMARY STATEMENT OF HON. ARNE DUNCAN

Secretary DUNCAN. Thank you, Mr. Chairman, Vice Chairman Cochran, members of the subcommittee.

STATE AND LOCAL LEVEL EDUCATION CUTBACKS AND LAYOFFS

I plan to begin today by talking about education reform because there is a lot of good news to report, but before I do, I want to talk about education jobs. We are gravely concerned that the kind of State and local budget threats our schools face today will put our hard-earned reforms at risk.

Every day, every single day brings media reports of layoffs, program cuts, class time reductions, and class size increases. None of this is good for children. Here is just a sample in some of your States.

Mr. Chairman, you and I recently visited schools in Iowa, which just announced 1,500 layoffs, half of them teachers. In Ames, they are reducing full-day kindergarten to half day and delaying textbook purchases.

In my home State of Illinois, they are looking at cutting 20,000 teaching jobs. In California and New York, they have also announced more than 20,000 job cuts each. I think the superintendent of Los Angeles is testifying before this committee later today.

Schools in Jackson, Mississippi, are increasing class size, while public colleges in neighboring Louisiana are canceling summer classes in the face of \$300 million in budget cuts over the next 2 years.

I recently read there are some schools in Kansas that have gone to a 4-day school week, and Hawaii began Friday furloughs earlier this year. New Jersey surveyed more than 300 school districts, and two-thirds are cutting sports, bands, and clubs. Many are also dropping after-school summer programs.

Charlotte, North Carolina, will cut 600 teachers next year. Appleton, Wisconsin, is losing 50 positions, mostly teachers, while one district in Washington State is cutting 10 percent of its teaching workforce.

In a survey of school administrators, one-third of them say they may have to cut summer school despite compelling research show-

ing that summer learning loss amongst low-income students is a significant contributor to the achievement gap.

IMPACT OF LAYOFFS AND CUTBACKS ON OVERALL ECONOMY

While there is no hard number yet for the entire country, we think the State budget cuts could imperil anywhere from 100,000 to 300,000 education jobs. That not only creates hardships for hard-working educators who lose their jobs and the children they teach, but the damage ripples through the economy as a whole.

The layoffs would create a new drag on the economy when, despite the recent encouraging jobs reports, we still have a long way to go. Literally, tens of millions of students will experience these budget cuts in one way or another. Moreover, schools, districts, and States that are working so hard to improve will see their reforms undermined by these budget problems.

COMMITMENT TO IMPROVING EDUCATION

The financial crisis facing public education is coming at an especially crucial moment for America. We are more focused than ever before on the importance of education to our economy and more committed than ever before to challenging ourselves to get better.

There is a broad consensus that we must invest at every level—from early childhood through college—to help the next generation succeed and compete in our global economy. There is a deep commitment from stakeholders across the spectrum that education is one issue that absolutely can bring us together. And at every level of our education system, there is groundbreaking work underway to improve the way we teach and learn.

STATE EDUCATIONAL STANDARDS

Forty-eight States are working together to raise education standards across the country because they understand we must better prepare our children for college and careers. No more dumbing down standards due to political pressure. No more lying to children.

Let me be clear. This is a State-led movement. These are not Federal standards.

RACE TO THE TOP COMPETITION

States are also preparing for phase two of the Race to the Top competition. This \$4 billion program, which represents less than 1 percent of K–12 education funding nationally, has prompted States and stakeholders to sit down together and have the kind of difficult, but necessary conversations that have never happened before.

The results, in a word, are stunning, even before money has gone out the door. Legal barriers to reform have been eliminated, progressive labor agreements have been forged, and new partnerships have emerged around bold and far-reaching plans. By one count, 26 States have passed laws to strengthen their education reform agendas. No one is defending the status quo.

And there is enormous demand for the program. Forty States and the District of Columbia applied in phase one, requesting, col-

lectively, \$13 billion. We expect at least the same amount, if not more applications in phase two. And this is just one of our competitive programs.

STATE IMPROVEMENT GRANTS AND INVESTING IN INNOVATION

Thanks to School Improvement Grants provided by Congress in the last two budgets and the ARRA, educators across America are also confronting the toughest challenge in education, which is fixing their lowest-performing schools. Thanks to the Investing in Innovation program (i3), that was also created by Congress through the ARRA, school districts, foundations, and community partners are developing innovative new learning models to take into our classrooms and our schools.

We expect as many as 2,500 applications, and we know that we will have at least 2 applications from every State. The entire country is looking to drive innovation at the local level, where we must take to scale what is working.

TRAINING, RETAINING, AND RECRUITING TEACHERS

Today, our colleges of education are rethinking how they train teachers for the classrooms of tomorrow. States, districts, and schools are rethinking how they recruit, support, and evaluate teachers in order to strengthen their profession. Teachers deserve better mentoring and professional development than they receive today.

ACCESS TO HIGHER EDUCATION

And today, millions more young people are getting grants to attend college, thanks to the leadership of the President and Congress and the historic decision to shift billions of dollars from bank subsidies for student loans to help low-income students pay for college.

Mr. Chairman, this would never have happened without your leadership. And I want you to know how much that means to me personally.

ESEA REAUTHORIZATION AND FISCAL YEAR 2011 BUDGET REQUEST

All of this work has been accelerated by your leadership and your collective commitment to children and education. And with your leadership, we want to do much more to support this work at the local level. Our proposed ESEA blueprint is defined by three words—fair, flexible, and focused.

We want to create a fair system of accountability that instead of stigmatizing schools and educators rewards them for excellence. We want to focus on growth and gain rather than absolute test scores. Rather than dictating one-size-fits-all solutions, we want to give States and districts more flexibility to improve the vast majority of schools that may have challenges, but by no measure are failing.

And third, we want to focus resources and support on students most at risk in chronically low-performing schools and schools with ongoing large achievement gaps.

GOALS OF REFORM STRATEGIES

Our 2011 budget request supports continuing formula funding for low-income and special education students and teachers and principals, as well as students learning English and other diverse populations of children from rural to migrant to homeless. But we also know that too many children at risk today are not well served by the status quo, which is why I want to continue driving reform with competitive programs.

All of our reform strategies have two goals—to raise the bar for all students and to close the achievement gap. We have to create better opportunities for students who need them the most. So with our budget request, we hope to continue Race to the Top, the Investing in Innovation Fund, and programs to get great teachers and principals into schools and classrooms where they are needed the most. To close the achievement gap, we must get serious about closing the opportunity gap.

EARLY LEARNING CHALLENGE FUND

Mr. Chairman, I know that you and others worked tirelessly to include the Early Learning Challenge Fund in the student lending bill, and I thank you for that. Given that it ultimately was not included, we want to work with you to bring it back because we must do more to help students start school ready to succeed. That investment in early childhood education may be the best long-term investment we as a Nation can make.

STUDENT AID FUNDING

Two other unmet needs are the remaining shortfall in the Pell Grant program and the increased administrative costs associated with the shift to 100 percent direct lending.

I greatly appreciate the Senate leadership in helping cover the Pell shortfall in the reconciliation bill. Now I want to work with Congress to address the remainder of the shortfall through a supplemental appropriation or other appropriate measure to avoid putting pressure on other critical education programs.

ADMINISTRATIVE COST OF 100 PERCENT DIRECT LENDING

Last, given that we are now assuming 100 percent of the student loan portfolio, we must strengthen our student lending operation to ensure that the student aid program is efficient and our private contracts are well-managed. Most of the additional money we are requesting will support private loan servicing contracts.

I want to salute Congress on both sides of the aisle for embracing our responsibility to our children and investing in education. Thanks to all of you, we have entered an exciting new era of educational reform, progress, and opportunity.

ARRA

I also ask you to consider the looming budget threat that could put all of this at risk. The ARRA dollars given to the Department of Education helped save an estimated 400,000 jobs at the State and local level, mostly in education, but also in public safety and other areas of critical need. It was the right thing to do, and it

proved that fiscal relief is an effective way to create economic activity and jobs.

NEED FOR ADDITIONAL EMERGENCY EDUCATION FUNDS

The final round of funding is now making its way to State capitals and school districts and to college students through Pell Grants, but it is not nearly enough to avert the catastrophe unfolding across the country. And so, today, on behalf of Governors, mayors, educators, students, parents, business leaders, community leaders, and everyone who shares the view that education is the key to our economic strength and civic vitality, I urge Congress to consider another round of emergency support for America's schools.

If we do not help avert this State and local budget crisis, we could impede reform and fail another generation of children. The fact is that gaps for special education, low-income, and minority students remain stubbornly wide. All of you know the reality of the challenges that our students and, therefore, our Nation face today. We must confront this reality with honesty, courage, and a commitment to challenge the status quo.

COLLEGE AND CAREER READINESS

One in four, 1 in 4 of our high school students today fails to graduate. Forty percent of students who go on to college need remedial education. They are not actually ready. And huge numbers of young people determined to go to college and pursue a career drop out because of financial or academic challenges.

If we want reform to move forward, we need an education jobs program. Jobs and reform go hand in hand. It is difficult to improve the quality of education while losing teachers, raising class size, eliminating days of instruction, eliminating after-school and summer-school programs. Our children, particularly disadvantaged children, desperately need more time, not less.

PREPARED STATEMENT

Teachers work very hard, and the vast majority of them give their heart and soul to their profession. They are heroes in every sense of the word, and we need to support them, especially because we are asking more of them. The status quo in education is not good enough. We must all get better. Our children need it, and our future demands it.

Thank you so much. I am now happy to take any questions you might have.

[The statement follows:]

PREPARED STATEMENT OF ARNE DUNCAN

Mr. Chairman and members of the subcommittee: Thank you for this opportunity to testify on behalf of the President's 2011 budget request for education. I want to begin by thanking all of you for your commitment to our children's education. This subcommittee has played a critical role in helping the Department to accomplish an extraordinary amount of work over the past year, both to help America's education system weather the economic recession and to launch key initiatives to improve the quality of that system.

It was just more than a year ago that Congress and President Obama worked together to complete the American Recovery and Reinvestment Act of 2009 (Recovery Act). This legislation is delivering nearly \$100 billion in education funding to Recovery Act recipients, including States and school districts, to help address budget

shortfalls in the midst of the most severe financial crisis and economic recession since the Great Depression. To date, the Department has awarded more than \$69 billion. For the quarter ending December 31, 2009, recipients reported that assistance from the Department of Education funded approximately 400,000 jobs overall, including more than 300,000 education jobs, such as principals, teachers, librarians, and counselors. These numbers are consistent with the data submitted in October, during the first round of reporting, and this consistency reflects the steady and significant impact of the Recovery Act. Although State and local education budgets remain strained, schools systems throughout the country would be facing much more severe situations were it not for the Recovery Act. The Recovery Act also increased Federal postsecondary student aid to help students and families pay for college.

I believe that the Recovery Act did much more than just provide short-term financial assistance to States and school districts. Indeed, I think the Recovery Act will be seen as a watershed for American education because it also laid the groundwork for needed reforms that will help improve our education system and ensure America's prosperity for decades to come. Thanks to the Recovery Act, all States now are working to strengthen their standards and assessments, improve teacher and leader effectiveness, improve data systems and increase the use of data to improve instruction, and turn around low-performing schools.

In addition, the Recovery Act helped to jumpstart a new era of innovation and reform, particularly through the \$4 billion Race to the Top Program and the \$650 million Investing in Innovation Fund. Many States already have demonstrated their interest in Race to the Top by making essential changes, such as allowing data systems to link the achievement of individual students to their teachers and enabling the growth or expansion of high-quality charter schools, and on March 29 we were pleased to announce the first two Race to the Top awards to Delaware and Tennessee. Both of these States submitted applications demonstrating a successful track record, bold reforms, broad buy-in, and statewide impact. Tennessee capitalized on its value-added assessment system as the foundation for future reforms, while Delaware is building on its Vision 2015 blueprint. Both States also secured broad support through a combination of changing their State laws and coalition-building among school districts, unions, businesses, advocacy groups, and local philanthropies. I am confident that other States will draw on these lessons to submit even stronger applications during the second phase of the Race to the Top competition this summer.

States also are demonstrating the progress they have made toward implementing the reforms called for in the State Fiscal Stabilization Fund in their applications for phase II of that funding. We must continue to invest in innovation and scale up what works to make dramatic improvements in education. The President's fiscal year 2011 budget requests \$1.35 billion for Race to the Top awards, both for States and for a new school district-level competition, as well as \$500 million in additional funding for the Investing in Innovation (i3) Program.

Most recently, I want to thank all of the members of the subcommittee who supported the Health Care and Education Reconciliation Act, which President Obama signed into law on March 30, 2010. This legislation will allow the Department to make much-needed reforms to Federal postsecondary student loan programs that will save an estimated \$68 billion over the next 11 years. These savings will be redirected toward a more generous and fiscally stable Pell Grant program, lowering the cost of student loans, improving our community college system, and increasing support for Historically Black Colleges and Universities and other minority-serving institutions.

PRESIDENT OBAMA'S 2011 BUDGET REQUEST

The centerpiece of the 2011 budget request for the Department of Education is the pending reauthorization of the Elementary and Secondary Education Act (ESEA). The President is asking for a discretionary increase of \$3.5 billion for fiscal year 2011, of which \$3 billion is dedicated to ESEA, the largest-ever requested increase for ESEA. Moreover, if Congress completes an ESEA reauthorization that is consistent with the President's plan, the administration will submit a budget amendment for up to an additional \$1 billion for ESEA programs. We would greatly appreciate your support for this historic budget.

The Department's budget and performance plan for 2011 also includes a limited number of high-priority performance goals that will be a particular focus over the next 2 years. These goals, which will help measure the success of the Department's cradle-to-career education strategy, reflect the importance of teaching and learning at all levels of our education system. The Department's goals include turning around struggling schools, improvements in the quality of teaching and learning, implemen-

tation of comprehensive statewide data systems, and simplifying student aid. These goals and other performance information are included in the President's fiscal year 2011 budget materials and are on www.ed.gov.

FISCAL YEAR 2011 BUDGET REQUEST AND ESEA REAUTHORIZATION

Our 2011 budget request incorporates an outline of our key principles and proposals for ESEA reauthorization. These proposals are explained in more detail in our "Blueprint for Reform," which was released on March 13, 2010 and which also is available at www.ed.gov. We have thought a great deal about the appropriate Federal role in elementary and secondary education, and want to move from a simple focus on rules, compliance, and labeling of insufficient achievement, toward a focus on flexibility for States and local educational agencies (LEAs) that demonstrate how they will use program funds to achieve results, and on positive incentives and rewards for success. That is why, for example, our 2011 budget request includes \$1.85 billion in new funding for the Race to the Top and i3 Programs. In addition, our reauthorization proposal for title I, part A of ESEA would reward schools or LEAs that are making significant progress in improving student outcomes and closing achievement gaps. Our budget and reauthorization proposals also would increase the role of competition in awarding ESEA funds to support a greater emphasis on programs that are achieving successful results.

We believe that our goals of providing greater incentives and rewards for success, increasing the role of competition in Federal education programs, supporting college- and career-readiness, turning around low-performing schools, and putting effective teachers in every classroom and effective leaders in every school require a restructuring of ESEA program authorities. For this reason, our budget and reauthorization proposals would consolidate 38 existing authorities into 11 new programs that give States, LEAs, and communities more choices in carrying out activities that focus on local needs, support promising practices, and improve outcomes for students, while maintaining Federal support for the most disadvantaged students, including dedicated formula grant programs for students who face unique challenges, such as English learners, homeless children, migrant students, and neglected and delinquent students.

COLLEGE AND CAREER READINESS

Another key priority is building on the Recovery Act's emphasis on stronger standards and high-quality assessments aligned with those standards. We believe that a reauthorized title I program, which our budget request would fund at \$14.5 billion, should focus on graduating every student college- and career-ready. States would adopt standards that build toward college- and career-readiness, and implement high-quality assessments that are aligned with and capable of measuring individual student growth toward these standards. To support States in this effort, our request would provide \$450 million, an increase of 10 percent, for a reauthorized Assessing Achievement program (currently State assessments).

States would measure school and LEA performance on the basis of progress in getting all students, including groups of students who are members of minority groups, from low-income families, English learners, and students with disabilities, on track to college- and career-readiness, as well as in closing achievement gaps and improving graduation rates for high schools. States would use this information to differentiate schools and LEAs and provide appropriate rewards and supports, including recognition and rewards for those showing progress and required interventions in the lowest-performing schools and LEAs. To help turn around the Nation's lowest-performing schools, our budget would build on the \$3 billion in school improvement grants provided in the Recovery Act by including \$900 million for a School Turnaround Grants Program (currently School Improvement Grants). This and other parts of our budget demonstrate the principle that it is not enough to identify which schools need help—we must encourage and support State and local efforts to provide that help.

EFFECTIVE TEACHERS AND SCHOOL LEADERS

We also believe that if we want to improve student outcomes, especially in high-poverty schools, nothing is more important than ensuring that there are effective teachers in every classroom and effective leaders in every school. Longstanding achievement gaps closely track the inequities in classrooms and schools attended by poor and minority students, and fragmented ESEA programs have failed to make significant progress to close this gap. Our reauthorization proposal will ask States and LEAs to set clear standards for effective teaching and to design evaluation systems that fairly and rigorously differentiate between teachers on the basis of effec-

tiveness and that provide them with targeted supports to enable them to improve. We also will propose to restructure the many teacher and teacher-related authorities in the current ESEA to more effectively recruit, prepare, support, reward, and retain effective teachers and school leaders. Key budget proposals in this area include \$950 million for a Teacher and Leader Innovation Fund, which would support bold incentives and compensation plans designed to get our best teachers and leaders into our most challenging schools, and \$405 million for a Teacher and Leader Pathways Program that would encourage and help to strengthen a variety of pathways, including alternative routes, to teaching and school leadership careers.

We also are asking for \$1 billion for an Effective Teaching and Learning for a Complete Education authority that would make competitive awards focused on high-need districts to improve instruction in the areas of literacy, science, technology, engineering, mathematics, the arts, foreign languages, civics and government, history, geography, economics and financial literacy, and other subjects. Our request also includes \$2.5 billion for an Effective Teachers and Leaders formula grant program to help States and LEAs improve teaching and enhance the teaching profession.

In addition, throughout our budget, we have included incentives for States and LEAs to use technology to improve effectiveness, efficiency, access, supports, and engagement across the curriculum. In combination with the other reforms supported by the budget, these efforts will pave the way to the future of teaching and learning.

IMPROVING STEM OUTCOMES

One area that receives special attention in both our 2011 budget request and our reauthorization plan is improving instruction and student outcomes in science, technology, engineering, and mathematics (STEM). The world our youth will inherit will increasingly be influenced by science and technology, and it is our obligation to prepare them for that world.

The 2011 request includes several activities that support this agenda and connect with President Obama's "Educate to Innovate" campaign, which is aimed at fostering public-private partnerships in support of STEM. Our goal is to move American students from the middle of the pack to the top of the world in STEM achievement over the next decade, by focusing on (1) enhancing the ability of teachers to deliver rigorous STEM content and providing the supports they need to deliver that instruction; (2) increasing STEM literacy so that all students can master challenging content and think critically in STEM fields; and (3) expanding STEM education and career opportunities for underrepresented groups, including women and girls and individuals with disabilities.

Specifically, we are asking for \$300 million to improve the teaching and learning of STEM subjects through the Effective Teaching and Learning: STEM Program; \$150 million for STEM projects under the \$500 million request for the i3 Program; and \$25 million for a STEM initiative in the Fund for the Improvement of Postsecondary Education to identify and validate more effective approaches for attracting, retaining, engaging, and effectively teaching undergraduates in STEM fields. In addition, I have directed the Department to work closely with other Federal agencies, including the National Science Foundation, the Department of Defense, the National Aeronautics and Space Administration, and the National Institutes of Health to align our efforts toward our common goal of supporting students in STEM fields.

COMPREHENSIVE SOLUTIONS

We also recognize that schools, parents, and students will benefit from investments in other areas that can help to improve student outcomes. Toward that end, we are proposing to expand the new Promise Neighborhoods Program by including \$210 million in our budget to fund school reform and comprehensive social services for children in distressed communities from birth through college and career. A restructured Successful, Safe, and Healthy Students Program would provide \$410 million to—for the first time—systematically measure school climates, which we know can affect student learning. This will help direct funding to schools that show the greatest need for resources to increase students' safety and well-being by reducing violence, harassment and bullying; promote student physical and mental health; and prevent student drug, alcohol, and tobacco use.

COLLEGE ACCESS AND COMPLETION

The administration has made college- and career-readiness for all students the goal of its ESEA reauthorization proposal, because most students will need at least some postsecondary education to compete for jobs in the 21st century global economy. For this reason, we are proposing a College Pathways and Accelerated Learning Program that would increase high school graduation rates and preparation for

college by providing students in high-poverty schools with opportunities to take advanced coursework that puts them on a path toward college. This new program would help expand access to accelerated learning opportunities such as Advanced Placement and International Baccalaureate courses, dual-enrollment programs that allow students to take college-level courses and earn college credit while in high school, and “early college high schools” that allow students to earn a high school degree and an associate’s degree or 2 years of college credit simultaneously.

Just as essential to preparing students for college is ensuring that students and families have the financial support they need to pay for college. We took a giant step toward this goal with the passage of the Health Care and Education Reconciliation Act, which will make key changes in student financial aid and higher education programs that are consistent with President Obama’s goal of restoring America’s status as first in the world in the percentage of college graduates by 2020. In combination with the Reconciliation Act, the 2011 request would make available more than \$156 billion in new grants, loans, and work-study assistance—an increase of \$58 billion, or 60 percent, more than the amount available in 2008—to help almost 15 million students and their families pay for college. And another achievement of the Recovery Act, the new American Opportunity Tax Credit, will provide an estimated \$12 billion in tax relief for 2009 filers. The budget proposes to make this refundable tax credit permanent, which will give families up to \$10,000 to help pay for 4 years of college.

The Reconciliation Act also will invest more than \$40 billion in Pell Grants to ensure that all eligible students receive an award and that these awards are increased in future years to help keep pace with rising college costs. Beginning in 2013, the act will provide annual increases based on the change in the Consumer Price Index that are expected to raise the maximum Pell award from \$5,550 in 2013 to \$5,975 in 2017. In addition, by the 2020–2021 academic year, the number of Pell Grant recipients is expected to grow by more than 820,000.

Finally, the Reconciliation Act will allow postsecondary students enrolling in 2014 or later, and who obtain a Federal student loan, to limit their monthly loan payments to 10 percent of their discretionary income, down from the previous requirement of 15 percent of income. More than 1 million borrowers will be eligible to reduce their monthly payments, and to obtain forgiveness of all remaining student loan debt after 20 years of payments, or just 10 years for public service workers such as teachers or nurses or those in military service.

IMPROVING OUTCOMES FOR ADULT LEARNERS

The 2011 budget request includes funding for a variety of programs that support adult learners, including career and technical education, and adult basic and literacy education. These programs provide essential support for State and local activities that help millions of Americans develop the knowledge and skills they need to reach their potential in the global economy. For example, our request would provide \$1.3 billion for Career and Technical Education State Grants to support continued improvement and to increase the capacity of programs to prepare high school students to meet State college and career-ready standards. One of our greatest challenges is to help the 90 million adults for whom increasing basic literacy skills is a key to enhancing their career prospects. For this reason, we are asking for \$612.3 million for Adult Basic and Literacy Education State Grants, an increase of \$30 million more than the comparable 2010 level, to help adults without a high school diploma or the equivalent to obtain the knowledge and skills necessary for postsecondary education, employment, and self-sufficiency.

IMPROVING OUTCOMES FOR PERSONS WITH DISABILITIES

The budget also includes several requests and new initiatives to enhance opportunities for students and other persons with disabilities. For example, we are proposing a \$250 million increase for Grants to States under the Individuals with Disabilities Education Act to help ensure that students with disabilities receive the education and related services they need to prepare them to lead productive, independent lives. The \$3.6 billion request for Rehabilitation Services and Disability Research would consolidate nine Rehabilitation Act programs into three to reduce duplication and improve the provision of rehabilitation and independent living services for individuals with disabilities. The request includes a \$6 million increase more than the 2010 level for a new Grants for Independent Living Program (which consolidates Independent Living State Grants and Centers for Independent Living) and would provide additional funding for States with significant unmet needs. It also includes \$25 million for a new program that would expand supported employment opportunities for youth with significant disabilities as they transition from school to

the workforce, through competitive grants to States to develop innovative methods of providing extended services.

The budget provides \$112 million for the National Institute on Disability and Rehabilitation Research to support a broad portfolio of research and development, capacity-building, and knowledge translation activities. And the request includes \$60 million—\$30 million under Adult Education and \$30 million under Vocational Rehabilitation—for the Workforce Innovation Fund, a new initiative in partnership with the Department of Labor. The proposed Partnership for Workforce Innovation, which encompasses \$321 million of funding in the Departments of Education and Labor, would award competitive grants to encourage innovation and identify effective strategies for improving the delivery of services and outcomes for beneficiaries under programs authorized by the Workforce Investment Act. This investment will create strong incentives for change that, if scaled-up, could improve cross-program delivery of services and outcomes for beneficiaries of programs under the Workforce Investment Act.

CONCLUSION

In conclusion, we have made extraordinary progress in meeting the needs of our schools and communities in the midst of financial crisis and recession, making long-needed reforms in our Federal postsecondary student aid programs, and reawakening the spirit of innovation in our education system from early learning through college. The next step to cement and build on this progress is to complete a fundamental restructuring of ESEA, and we believe strongly that our 2011 budget request is essential to that effort. I look forward to working with the subcommittee toward that goal and have every confidence that with your continuing leadership and strong support from President Obama and the American people, we will accomplish this important task.

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

EDUCATION JOBS BILL

Senator HARKIN. Mr. Secretary, thank you for a very eloquent statement.

I can't agree with you more. The status quo is not acceptable, and it is not acceptable during economic downturns to say that we are just going to take a lot of this out of the hide of education. You only get one chance at that, and if we fail our kids, that means we fail our future.

So I am encouraged by your, I think, statement of support for a jobs, an education jobs bill. I mentioned the one that I am putting in today. I hope that we can count on your active support and the support of the administration in getting this emergency funding through because it is an emergency. And so, again, I hope we can count on your support for that. You mentioned that, and I appreciate it.

Secretary DUNCAN. Yes, I appreciate your leadership so much. We absolutely need a jobs bill, and I look forward to working with you to work on the details of it.

This is the right thing for the country. It is the right thing for the economy. It is the right thing for our children.

DEFINING AND FUNDING EARLY LEARNING EDUCATION

Senator HARKIN. Absolutely. And we will consult with you on how best to get that done and structure it.

You also mentioned something else, the early learning part of the bill that we didn't get in reconciliation because of a budget problem that we had, but something that you know I care very deeply about. It is one I talk about all the time, that we are always playing catch-up ball. And one of the reasons we play so much catch-

up is that we don't put a lot of emphasis on the time when kids' brains are developing the most, and that is from birth to 5.

As you heard me say before, I said it yesterday at a hearing at the HELP Committee, that perhaps we ought to rethink that elementary education starts at birth. It doesn't start when you get to kindergarten. Maybe it starts when you are born.

That is not my statement. That was a statement made by the Committee on Education Development in 1991 that was set up by President Reagan to look at what we needed in education. It was a committee of business people. I guess President Reagan wanted the business community to tell us what we needed in education.

Well, the committee met during the ensuing years after that. And finally, in 1991, they came out with a report. I was chairman of this subcommittee at that time. And James Renier, the head of Honeywell, presented that report to us. And mind you, here are some of the biggest business leaders in America, heads of big corporations, taking a look at education and what was needed. And their executive summary was very simple. It said we must remember that education begins at birth and that preparation for education begins before birth.

The whole report was focused on early childhood learning. This is 1990, 1991. Twenty-one years later, we are still trying to figure out what to do on education. We have got to put more into early learning.

FUNDING FOR EARLY CHILDHOOD EDUCATION IN 2010

So, again, we are going to do everything we can in this budget cycle. I know it is not in your budget because you were probably counting on the money being in the reconciliation bill, which got knocked out. So, Mr. Secretary, I hope that we can count on working with you to find ways of getting that money back in our budget cycle for even as early as next year and working with us on that.

Secretary DUNCAN. We have to. And that is exactly right. We didn't include it in our budget because we thought it was coming in through the other source.

But let me tell you, Mr. Chairman, I would like to work with you to adjust our proposed budget. And we think we cannot walk away from this. This is the most important thing we can do, and so we want to figure out some ways with you to adjust our proposed fiscal year 2011 budget so that we can invest in early childhood education. We can't afford not to do that.

Senator HARKIN. Well, I can tell you I have had conversations with my counterpart on the House side concerning this issue and with you, and I look forward to working with you to see how we can shoehorn this in some way.

Secretary DUNCAN. Our staff is working on a couple different options, and we should come back to you shortly with a proposal or two.

Senator HARKIN. I appreciate that very much.

RACE TO THE TOP COMPETITION

Mr. Secretary, one thing I would just like to cover before I move on, and that is the whole Race to the Top issue. There has been a lot of debate, on, yes, Race to the Top. You have got a lot of

money focused on grants to specific States when even as you pointed out in your comments, that whole structure is in danger right now.

And so, the question has been raised to me as should we focus that kind of money on a few specific States that may win a competition, or do we need to focus this more on the broader structural basis of education?

I think you partially answered that when you said that this is about 1 percent, if I am not mistaken. I think you said about 1 percent of the total education funding. So when put in that context, it gives more credence to this Race to the Top.

Can you just tell us more of your thoughts on that and how we respond to the idea that, because of the structural problems, how can we focus on the Race to the Top?

Secretary DUNCAN. It is a great question. I just think, frankly, we have to walk and chew gum at the same time. So we need to save jobs, absolutely. But we need reform as well. And these two things go hand in hand. They reinforce each other.

If we are simply trying to preserve the status quo, we need to do that, but that is not going to get us where we need to go. We have a dropout rate that is unacceptable. We have far too many students who do graduate who aren't actually prepared for college or careers. And so, we need to make sure we don't go south and get worse, and that is what we are concerned about with the huge budget cuts that States and districts are looking at.

DROPOUT RATE

At the same time, we have to be pushing very hard to get better, and we have to get that dropout rate down to zero absolutely as fast as we can. There are no good jobs out there today in the legal economy for a high school dropout. There are almost no good jobs out there if you just have a high school diploma. You have to have some form of training beyond that—4-year universities, 2-year community colleges, trade, technical, vocational training.

RACE TO THE TOP FUNDING

And so, we have to get better. We invest as a country each year approximately \$650 billion in K to 12 education, \$650 billion. Race to the Top, at \$4 billion, is less than 1 percent of national spending on education, and I think I can make a pretty good case to you that the amount of change we have seen around the country due to that less than 1 percent investment has been extraordinary.

And we look forward in this next round to seeing more States win and benefit. We think States that go through the process are getting better and stronger, and they are having those conversations that haven't happened historically. And so, we hope we have a much larger set of winners in the second round. And as you know, we are coming back in the fiscal year 2011 budget, we want to do a third round of Race to the Top and get to that next set of States. And so, this is an ongoing evolutionary process.

But to see the amount of change that has happened with a very small amount of money I think is simply extraordinary. We had high hopes going in, and it has far exceeded our wildest expecta-

tions. And so, these are not—these ideas are not in conflict. These are false dichotomies. We have to do both.

We have to make sure we don't go south. We have to make sure we are not seeing hundreds of thousands of people laid off. But we need to push for real, dramatic, transformational change at the same time.

Senator HARKIN. Mr. Secretary, I appreciate that answer. You are right. We have got to do both, and we can't let up on one or the other.

Senator Cochran.

RURAL AND LOW-INCOME SCHOOL DISTRICT FUNDING

Senator COCHRAN. Mr. Chairman.

Mr. Secretary, I noticed, looking through the summary of the request from the administration, that we are not seeing the increases requested for some of the programs that are targeted to low-income and poverty families whose students live in the rural areas of the country, the small towns. And I am disappointed in that.

For example, my State has the highest percentage of students who qualify for the benefits of the title I program. Only the District of Columbia has a higher percentage than the students in our State. And I am worried that the budget request submitted by the administration sort of freezes that in place and doesn't provide for increases in formula grants under the title I program, for instance.

And so, the schools and the communities with the highest numbers of poor students are going to continue to be held back and suffer in comparison with the resources that are being made available to students in the wealthier and larger cities of the country. Does this call for another look at the budget and with some emphasis being placed on improving and enlarging the amount of money going to these poor school districts, or are they going to be locked into last place forever?

SCHOOL IMPROVEMENT GRANT FUNDING

Secretary DUNCAN. That is the last thing we would want, Senator. And you may know through the School Improvement Grants Program, which is going to the lowest-performing schools—I just checked the numbers—Mississippi is going to get an additional \$46 million to help those children in poor communities—rural, urban, whatever it might be—who have been in historically very low-performing schools to try and transform the opportunities for them.

So, it is a huge influx of resources coming to Mississippi and coming to every State around the country. And what I think we have done, quite frankly, is we have labeled lots of schools failures, but not much has changed in most places. In most places we really haven't seen the kind of transformational change to help those poor students break out of poverty and build successful lives.

We are putting out an unprecedented amount of money—it is interesting that Race to the Top has gotten all the press and publicity. That is for 100 percent of the Race to the Top schools. That is \$4 billion. But, there is \$3.5 billion in school improvement grant funds just for the bottom 5 percent.

And so, almost \$46 million comes to Mississippi. The State is going to figure out what is the best way to turn around those low-

performing schools. We have a couple of models out there. But we want to make sure those children who historically have been underserved have a chance with a real sense of urgency to get a much better education.

RURAL EDUCATION ACHIEVEMENT PROGRAM (REAP)

Senator COCHRAN. Well, one thing that bothers me, too, is the fact that we have level funding proposed by the administration for the REAP. The budget request freezes that program at a level of \$174.9 million. It was designed to help rural districts overcome the additional costs associated with geographic isolation, distances that have to be traveled during the day in school buses from rural areas to the places where the schools are located.

Transportation costs are up. Employee benefit costs are down. And there is an increase in poverty in most of these areas that qualify for the REAP, but it is level funding. That is an example of something that disturbs me, and I hope the administration will look carefully at the decisions that are made by the congressional committees in the House and the Senate.

I would not be surprised at all, and as a matter of fact, I am hopeful that we will increase these funds that are available for competitive grants for some States and districts. But formula grants provide a reliable stream of funding to States and local districts that just don't have the teachers or the administrators with the educational backgrounds that are required to help move these districts forward.

MIGRANT EDUCATION PROGRAM

So I know that money is tight. The Migrant Education Program is another one. Mississippi's funds for that program are going to be reduced from \$1.076 million to \$640,000. And these things just keep cropping up in this budget request page after page after page.

CONSOLIDATIONS

Consolidating programs, as the administration proposes in the Even Start Family Literacy program, is going to cost Mississippi an estimated \$830,000 in Even Start funding for fiscal year 2010. So I hope the administration will take another look at the budget request and work with the Congress to try to identify a fairer and more acceptable program for rural schools and small States.

INVESTING IN INNOVATION FUND

Secretary DUNCAN. I absolutely look forward to working with you, Senator. And just to reiterate, the things we are doing, like the Investing in Innovation Fund, that \$650 million fund, have actually included a competitive advantage for rural communities and rural districts. So we are really trying to make sure we are touching those communities.

PROGRAM CONSOLIDATIONS

Where we consolidated programs, in every area, we actually increased funding. So there is a chance, whether it is around teachers and leaders, whether it is around a well-rounded education,

student supports, diverse learners, because in every area we consolidated, we are actually increasing the amount of funds, which doesn't usually happen with consolidation. So there is a real chance for States and districts to put their best foot forward and get more resources in those areas. But we are trying to do fewer things, but do those things, those fewer things, do them in a world-class manner.

Senator HARKIN. Thank you, Senator Cochran.
Senator Landrieu.

RACE TO THE TOP—FIRST ROUND COMPETITION

Senator LANDRIEU. Thank you.

Thank you, Mr. Secretary. And I appreciate your enthusiasm and your focus on improving our schools because it is quite a challenge.

I wanted to ask you, if I could, just about the Race to the Top program. Let me just get to my question here. We were one of the States that applied, as you know, and have been very encouraged by words that you and your administration have spoken about the good work that is happening in Louisiana that has been going on, as you know, for some time.

The administration requested \$1.4 billion to extend Race to the Top. Now the first competition has come to a close. We were not one of the States chosen, but I believe Delaware and, what was the other one, were.

After evaluating some of the scores, however, of the States that did apply, it was interesting that if you decided to grade them somewhat differently by throwing out the high and the low, which is done in the Olympics and is done in many competitions, to get a better, clear average, the top two States would have remained the same. But in Louisiana's case, we would have moved up considerably.

RACE TO THE TOP—APPLICATION SCORING

So that is just one question I pose to you. When you do the second round, are you thinking about the opportunity of a more fair scoring, number one? And number two, it was also interesting that a high weight was given to what seemed to be an application that had all parishes or counties onboard, all teacher unions onboard, all school boards onboard, which, in an ideal world, you know, would be what we were hoping for.

But as you know, as a reformer in the trenches, it is sometimes difficult to deliver all the teacher unions, all the counties, all the parishes. And for applications like ours that represented a very strong and risk associated application for about half, to not be designated, I have to say, was just a real disappointment.

So my questions are, one, is there going to be any new approach to scoring that might result in a more fair reflection of the actual quality of the application? And number two, why are we going to insist that if you can't get every school board and every county stepped up, your State can't try with the counties that are ready to go and willing to take the risk?

Secretary DUNCAN. Really good questions, and obviously, Louisiana has done an extraordinary job in very, very difficult circumstances of driving reform and has made huge progress, and I

know there is real disappointment that the State didn't win in the first round. I would absolutely urge the State to come back and come back stronger the second round. As you know, there is a huge amount of money that is going to go out, between \$3.4 billion and \$3.5 billion in the second go-around.

To answer those two questions, I will answer the second question first that bold reform and broad stakeholder support is a winning combination. But watered down reform and broad stakeholder support is not. Bold reform matters, and I—

Senator LANDRIEU. But let me just interrupt because this is very important. Nothing in our application was watered down.

Secretary DUNCAN. Right.

Senator LANDRIEU. The problem is if you push to get everyone there, you will give us no choice but to water down. In other words, half of something strong is better than 100 percent of something weak and watered down. And that is what I am very concerned about, and I think there are many members that are driving this reform effort that are absolutely taken aback at the posture of this department.

Secretary DUNCAN. Well, again, if you look at the results, the two winners were able to do both. But if you look at folks that came in with high scores right behind that, they had very broad reforms. And if we are going to fund 10 to 15 States, whatever the magic number will be in the second round, I think there is a huge opportunity there. So I—

Senator LANDRIEU. So it is a real opportunity, I want to just say, for some unions. And some unions have been supportive, and some teacher unions have been supportive. But it is a real opportunity for those that don't want to be supportive, and there are obviously many entrenched interests, not just some unions, but school board members and others. I mean, this is a fight in every State, as anybody that is in this battle knows. This is a battle. It is not a waltz.

And so, what you are saying is if you can't get everyone in your State to step up, we can't help you to start because it is so counter to the way that I have been leading this reform movement in Louisiana. So I just want to, Mr. Chairman, say how strongly I feel about the way this administration—and I am one of their biggest supporters. But this is going to have to be changed, in my view. Not watering down, but strengthening and rewarding those that will take the risk of reform, whether everybody is there or not.

In any efforts I have led for reform, you don't get 100 percent participation at the front end. You might get 10 people that show up at the line and say we are willing to go. Ninety people are back here. Then next year, 20 percent show up at the line, and you leave 80 percent behind. And soon, it is reform. So I am completely confused.

TEACH FOR AMERICA (TFA)

And my second question is this, and I will add, Mr. Chairman, I know. But TFA, and the members of this subcommittee understand how strong TFA has been. I want to just read for the record, Mr. Chairman, it is harder today to get into Harvard Law School—I mean, it is harder today to get into TFA than it is to get into Harvard Law School. What a phenomenal success TFA has been.

Think about that. Not even a Government-run program, not even a Government-started program. But a nonprofit, entrepreneurial, innovative program that has accomplished more than all of us, in my view, together, getting qualified teachers in the classroom, and we haven't fully funded their effort. I am going to submit a full funding to this chairman for his request.

And when any Federal program can say that they are putting more qualified teachers in the classroom than are going to Harvard Law School, then we might take the funding and shift it over there.

Thank you.

Senator HARKIN. Thank you, Senator.

Senator Alexander.

FUNDING EXCELLENCE IN EDUCATION

Senator ALEXANDER. Thank you, Mr. Chairman.

Mr. Secretary, thank you for being here.

I very much appreciate your leadership, the way you go about your job, the bipartisan way you do it. I am glad to be a part of a bipartisan working group to try to fix No Child Left Behind. I appreciate the struggle of trying to emphasize excellence at the same time you are trying to support schools, both.

I remember as a Governor when I tried to encourage master teachers and centers of excellence and chairs of excellence. People would say, well, why would you do that when we need money for what we are already doing? And the answer really was, I don't think taxpayers really want to support much more funding for more of the same, but they will support a lot more funding for excellence. And there are many different ways to do it, but I am going to support your request for funding for excellence wherever I have the opportunity to do it.

RACE TO THE TOP—FIRST ROUND COMPETITION

And I have a question along a couple of lines about three specific programs, but I wanted, in senatorial custom, to make a couple of preliminary observations first. One is Tennessee was glad—and I can say this because I had nothing to do with it. The Governor, the legislature, the educators did it—to be one of the two winners of Race to the Top.

And as terrific as that is going to be for the State, the Federal Government is really giving with one hand and taking away with another because the new healthcare bill, between 2014 and 2019, is going to add between \$1.1 billion and \$1.5 billion of costs, most of which will have to come out of education, while the Race to the Top brings half a billion dollars of costs.

ARRA FUNDING

Second, our Governor, a Democratic Governor, said at the time of the stimulus funding 2 years ago that these are one-time funds, don't spend it on continuing operations. So as the chairman talks about \$23 billion more, I wonder from whose schoolchildren we are going to borrow this money? Because we have a looming debt crisis in our country, and we will need to debate this. We all want to help our children, help our schools. But that is a deep concern.

FEDERAL DIRECT STUDENT LOANS PROGRAM

As far as student loans, we didn't have much of a chance to debate that here. You know my views, and they are different than yours. But I think it is important to say that what we are really doing with this Federal takeover of the student loan program is borrowing money from 19 million students. We are borrowing the money—the Federal Government is—at 2.8 percent and loaning it to them at 6.8 percent and taking the savings and using it to pay for Pell Grants and some for healthcare.

And I think it would be better if we are going to take it over and create so-called “savings” if we give the students the savings. We could lower the interest rate from 6.8 percent to 5.3 percent on the student loans and let that \$61 billion or so be in the pockets of the 19 million students who are borrowing money to go to school.

HISTORY AND CIVICS EDUCATION

Now on my questions, and then I will leave the rest of my time to you, there are three programs that I am especially interested in. One is the proposal Senator Byrd, the late Senator Kennedy, and I introduced to try to take the Federal programs on history and civics and consolidate them and make them an appropriate part of what the Federal Government does to help children learn—to support State and local efforts to help children learn what it means to be an American and finding a dedicated stream of funding for that.

TEACHER INCENTIVE FUND (TIF)

Two is the TIF, which has been the most useful tool, I think, to you in Chicago, when you were superintendent, to many school districts around the country to help find effective ways, fair ways to pay teachers more for teaching well. And I wonder under your blueprint plans whether you are not running the risk of de-emphasizing that program?

TFA

And finally, along with Senator Landrieu, I strongly support TFA. It is an authorized program in the law, not an earmark, just as the history program is. And I am wondering if your blueprint that you are working with us on fixing No Child Left Behind doesn't de-emphasize it as well?

So history and civics, the TIF for effective teaching and school leadership, and TFA, your comments on the priority those will have as you look forward the next few years?

Secretary DUNCAN. Yes. I will try and take them in reverse order. On TFA, and I appreciate your passion and leadership on that, and Senator Landrieu, your passion and leadership. And let me be very clear, I am a huge fan of TFA, and I have seen the benefits around the country. I actually helped bring them to Chicago before I was the CEO of Chicago Public Schools. And that influx of talent, commitment, and passion has been extraordinary around the country.

Senator Landrieu, as you know so well, talent matters tremendously. It is a phenomenal pool of hard-working, committed folks

going to tough communities—inner-city, urban, rural, whatever it might be—who want to make a difference in students' lives. And so, I just want to be very, very clear where I stand on that.

And the funding, we have, as you know, dramatically increased that pool of funding for teacher programs, and there is a real chance for TFA to put their best foot forward and through a competitive process bring in not just what they currently get but, frankly, significantly more resources. And that potential is there for them, as there are for other great programs that are bringing talent into education.

And I don't think there is anything more important we can do as the baby boomer generation moves toward retirement than to bring in great new talent.

Following the submission of their application for funding, the Department will likely award a grant to TFA in June 2010. Grant funds are typically available for 12 months, which would be until June 2011. And so, there should be funding there, and there will also be an opportunity going forward for them to compete for, frankly, significantly larger pools of money.

TIF INVESTMENT

On the TIF, I have appreciated your leadership and vision on this for a long time. And it is one of the most important things we think we can do. As you know, we want to significantly increase that investment, going from \$400 million in fiscal year 2010 to a proposed \$950 million in 2011.

And please, don't have any concerns about watering that down. We will absolutely—let me be clear. We will absolutely require grantees to create systems for identifying and rewarding outstanding teachers, as well as principals. And so, that commitment is unwavering, and I can't be more clear on that.

On the first one, teaching American history, again, that is an area where we are actually increasing the investment, \$265 million for the history, arts, financial literacy, foreign languages, a 17 percent increase. We are doing it, as you know, on a competitive basis. But that pool of money, again, did not shrink, it is up 17 percent, and great programs have a chance, again, not just to maintain funding, but to, frankly, increase their funding.

Senator ALEXANDER. Thank you, Mr. Chairman.

Senator HARKIN. Thank you, Senator Alexander.

Senator Pryor.

COMPETITIVE ABILITY OF RURAL AND SMALL DISTRICTS

Senator PRYOR. Thank you, Mr. Chairman.

And Mr. Secretary, thank you for being here today, and I do have a few questions for you. And first, let me say that I like competition. I think that is good that we introduce more competition into some of this. But I do have a concern about a rural State or a rural setting, smaller school districts that maybe don't have the resources and maybe don't have the grant writing background.

And how do you factor that in considering that some districts in some States—some of the areas that need it the most—may be the least capable of going through the process? How do you address that?

Secretary DUNCAN. That is a great question. We spent a lot of time thinking about that. And let me be really clear. We are not looking for great grant writers or fancy PowerPoint presentations. That is not our interest.

We want to go where the need is. And there is tremendous unmet need in rural communities. And what we want people to do is just to simply show us their vision, show us where they want to go, show us their commitment to raising the bar for all students and closing the achievement gap, and that is where we want to invest.

And so, whether it is the TIF grants, whether it is Investing in Innovation, where we made actually a competitive advantage for rural communities, we want the funds to go where the need is. And so, hold us accountable for that, but this is not going to be judged by the prettiest pie chart or the prettiest PowerPoint presentation. We want to go where there is real commitment, where there is real courage, where folks want to get better and demonstrate that commitment. And we want to partner with you to take to scale what works.

NUMBER OF URBAN VS. RURAL SCHOOL DISTRICTS

If we are serious about scaling-up best practices, the majority of our students are not in urban school districts. That is the reality. It is 2,000 districts out of 15,000. We have to play on a nationwide basis, and we are absolutely committed to doing that.

COMPARABILITY OF EDUCATIONAL SERVICES

Senator PRYOR. Great. Let me ask you another question about comparability. About 57 percent of all students in Arkansas are economically disadvantaged, and more than 1,700 students in my State take advantage of supplemental services. In terms of comparability, your blueprint aims to “encourage increased resource equity at every level of the system” and to “over time require districts to ensure that their high-poverty schools receive State and local funding levels comparable to those received by their low-poverty schools.”

Can you clarify that and explain how that works and what you mean by that?

ADDRESSING THE ACHIEVEMENT AND OPPORTUNITY GAPS

Secretary DUNCAN. Yes. Let me just, you know, explain the big picture. We as a Nation are rightfully focused on the achievement gap. I think we have had lots of talk about that. We have had very few places fundamentally breaking through on closing that achievement gap. And what I keep saying is that if we are serious about closing the achievement gap, we have to close what I call the opportunity gap.

And to do that, we have to make sure that communities that have been historically underserved, be they rural, inner-city, urban, are finding ways to attract and retain the best teachers and the best principals. Talent matters tremendously in education.

And I think in far too many places, there are very few incentives and, frankly, lots of disincentives for the best talent to go to the

communities and the children who need the most help. And so, what we would really be doing is challenging everyone to think about what we are doing systemically to get students in the communities who often, frankly, for decades have been poorly served, how are we going to change that? How are we going to challenge the status quo?

And this is one of many attempts to really start to address that question in a much more meaningful way than what I have seen historically.

APPROACH TO ESEA REAUTHORIZATION

Senator PRYOR. Good. You know, when I think about your background being from the Chicago area, and I know you have done a lot of work with inner-city work there, that is great. And then when I look at some of our districts in Arkansas that are rural and have all kinds of challenges, and a lot of our students there do—and I think if you look at a test score, they might score the same in some ways, but there may be a lot of factors that go into that score that cause them, for different reasons, to score that way. And I was glad to hear you say earlier that your three Fs are fair, flexible, and focused because I do think you have to be fair, but also you have to be flexible. You have to recognize the differences and the different factors that go into getting the results we want to get. And I remember back when I was the attorney general of my State, we had a big lawsuit over school funding. And some of that is very difficult to determine in terms of how you get from point A to point B and what you can do as a State or a district or certainly the Department of Education—what you can do to try to get us the results we need.

So I just encourage you to be fair, flexible, and focused, but also keep in mind that second F, that flexibility, because one size is not going to fit all.

RECOGNIZING ACHIEVEMENT

Secretary DUNCAN. No, I really appreciate that. And again, we just want to look for places that have that commitment to closing the gap and continue to support them.

I just checked Arkansas's money for school turnarounds, again that bottom 5 percent in every State, you define who those bottom 5 percent are. You figure out how we get better—\$34 million. We are trying to put a huge amount of resources for, again, those children who haven't had the opportunities they need to fundamentally break through, whether it is more time, whether it is different leadership. Whatever it might be, we have to do better with a real sense of urgency.

And we are trying to put our money where our mouth is. We are trying to put our resources there and say let us have some courage and let us do some things in a different manner.

The final thing I will say is that so much of what bothered me about the previous law, well—let me just give you a quick example. Let us say you were a sixth grade teacher, and I came to you as a student three grade levels behind, reading at a third grade level. If I left your classroom one grade level behind, you were labeled a failure. Your school was labeled a failure.

I think not only are you not a failure, I don't just think you are a good teacher, I think you are a great teacher. I gained 2 years of growth for a year's instruction. That teacher is a phenomenal teacher. We should be learning from them. We shouldn't be stigmatizing them. We should be replicating that. We should be rewarding that.

We should figure out why I came to your class three grade levels behind and figure out what is going on downstream.

Senator PRYOR. Right.

Secretary DUNCAN. But we want to really look at growth and gain and how much we are improving. If a dropout rate is going from 50 percent to 45 to 40 to 35, it's still too high, but it's going the right way. If it is at 50, 50, 50, 52, 55, well, that is a real problem. That is a place that is stagnating, not getting any better.

PROMISE NEIGHBORHOODS INITIATIVE

So really looking at improvement, and it takes lots of things. It takes a community. It takes parental engagement. It takes challenging students. We have this Promise Neighborhoods Initiative, which we haven't talked about, where we want to create communities around schools that make sure students are safe and make sure the entire neighborhood is working behind students so they can be successful academically.

So we want to come at this from a lot of different approaches, but ultimately, we want to look at who is serious about seeing students improve dramatically.

Senator PRYOR. Yes. I think my State has a good story to tell there. The numbers in my State are going in the right direction, but it has taken a lot of hard work at the local and State level.

Thank you, Mr. Chairman.

Senator HARKIN. Thank you, Senator.

Senator Shelby.

IMPACT OF WEAK ECONOMY ON EDUCATION

Senator SHELBY. Thank you, Mr. Chairman.

Welcome, Mr. Secretary. I want to get into an area that Senator Pryor did. My State of Alabama, the unemployment rate in Alabama, February 2007, was 3.4 percent. We had some good years, a lot of good years.

The unemployment rate jumped to 4.2 percent February 2008. February 2009, it had gone up to 8.7 percent. February 2010, it is 11.1 percent, it was. So this wrecks havoc on everything—the economy, the collection of taxes, the schools.

I think we have been making a lot of progress in my State of Alabama with our schools, but the economy is weakened, as I have pointed out. We have lost more than 2,000 teachers. Think about it. Two thousand teachers in the past 4 years, and our jobless rate, as I pointed out, has tripled. There is a correlation between all this.

It has been proposed that we might lose another 1,500 teachers in the coming years. How will schools, not just my State, but around the country, but particularly Alabama right now, if we continue to carry out reforms, can we do this as we lose all these teachers, Mr. Secretary?

EMERGENCY JOBS BILL FOR EDUCATION

Secretary DUNCAN. It is a great question. Before you got here, the Chairman spoke eloquently, and I supported him. I think we need—I don't know if you would agree or disagree. I think we need an emergency jobs bill. I don't have my numbers in front of me for Alabama. But we saved, conservatively, 300,000 educator jobs around the country last year.

Alabama got absolutely its fair share, but we are very, very concerned. So I am strongly supporting emergency action by Congress. What is happening in Alabama, we are seeing very, very similar, if not worse numbers in the majority of States around the country. It is a devastating time.

Senator SHELBY. It is not just my State, but we have problems in my State. We have a lot of promise, but we have some problems, as you know. But it is the Nation—

Secretary DUNCAN. It is the entire country. No one is untouched by this. And when you see tens of thousands, hundreds of thousands of educators being laid off, that has a huge impact on the entire economy. It has an impact on students' futures, and I think this would be the right investment to make. It is the right thing to do at the right time for the right reasons.

So that is something that Senator Harkin is actually proposing today, an emergency jobs bill, and we want to work with him on the details. But, if it is something interesting, I would love to continue that conversation.

RURAL DISTRICTS ABILITY TO COMPETE FOR GRANTS

Senator SHELBY. But the grants, Senator Pryor brought this up, does the grant program do detriment to a lot of the rural counties, smaller counties all over America, as opposed to some of the more urbane, urban counties?

Secretary DUNCAN. Not at all. And again, I want you to really hold us accountable. What we want is to invest—the Investing in Innovation Fund or the Promise Neighborhoods initiative, we want to work throughout the country. And there is tremendous unmet need in rural communities and rural States.

I was fortunate to be in your State a couple of weeks back and have an absolutely memorable visit, and the challenges that I saw were staggering. And we want to invest in those places that want to get better and where there is tremendous need, and that includes rural communities.

Senator SHELBY. Just a few minutes ago, I believe, you stated, and I will quote you, “We want to go where the need is.”

Secretary DUNCAN. Yes, sir.

HIGH SCHOOL GRADUATION RATE

Senator SHELBY. Just a few minutes ago. Well, obviously, we have some needs. We are not by ourselves. Alabama has, it is my information, had a high school graduation rate of 67 percent, compared to the national rate of 74 percent. And this is—although we have improved, we have got a long way to go.

But if we lose money or we lose out on the funding program, I think we will not be by ourselves, would we?

Secretary DUNCAN. No, I agree. And so, again, I think if we can get a jobs bill passed, that would be a huge benefit. Alabama has made real progress. I am a big fan of your State superintendent. I think he is doing—

Senator SHELBY. He is going to testify in a few minutes.

Secretary DUNCAN. Is he? Well, he is a fantastic—I am glad I said the right thing then.

But in all seriousness, I am a big fan of his. He is working extraordinarily hard. To see his level of commitment and the community support of his efforts was remarkable, and I think with the jobs—he will talk about the problems, but with a jobs bill we have a chance to make sure we don't get worse and, at the same time, try and push for the kind of real transformational change we need.

Senator SHELBY. Well, in a nutshell, how will the grant program work as compared to the status quo?

Secretary DUNCAN. Well, we are talking about a couple of different things. If we have a jobs program, that would help to preserve somewhere between 100,000 and 300,000 jobs, education jobs around the country. And there is desperate need out there. At the same time we are doing that, we don't just want to preserve the status quo. We have to continue to get better.

And so, Race to the Top, the Investing in Innovation Fund, School Improvement Grants, TIF, Promise Neighborhoods, all those are attempts to really have the kind of breakthrough changes that we need. So we need to do both at the same time. These ideas are not in conflict. We have got to do both.

Senator SHELBY. But if you go where the need is, you are going to go to a lot of the rural areas, too, are you not?

Secretary DUNCAN. Yes, sir.

Senator SHELBY. Okay. Thank you, Mr. Chairman.

CLOSING REMARKS TO THE SECRETARY OF EDUCATION

Senator HARKIN. Secretary Duncan, thank you very much for your testimony and for answering questions. We may hold the record open for a while here to have some written questions from Senators who were not able to be here because of schedule conflicts.

So, with that, Mr. Secretary, thank you very much. Look forward to working with you.

Secretary DUNCAN. Thanks for all your leadership.

Senator HARKIN. Thank you, Mr. Secretary.

INTRODUCTION OF EDUCATION JOBS PANEL

The Secretary will be excused. We have a second panel that will be coming up, a panel to talk about education jobs, which we heard about here with Secretary Duncan and others on this panel.

Senator HARKIN. All right. If we could get our panel seated? Mr. Ramon C. Cortines is the superintendent of the Los Angeles Unified School District. Mr. Cortines began his teaching career in Aptos, California, in 1956. From 1995 to 1997, he served as special adviser to U.S. Secretary of Education Richard Riley.

We have Chris Bern, president of the Iowa State Education Association and a math teacher at Knoxville High School, graduate of Buena Vista College in Storm Lake with a degree in mathematics.

And I will skip over the next because I will leave that to Senator Shelby. Then we have Mr. Marc S. Herzog, currently chancellor of Connecticut Community Colleges, a position he has held since 1999. Mr. Herzog holds a master's of science degree in guidance and counseling from Central Connecticut State University and a bachelor of arts degree in education from Yankton College in South Dakota.

And with that, I will yield to my friend from Alabama for purposes of an introduction.

Senator SHELBY. Thank you. Thank you, Chairman Harkin.

I will be brief, but I don't get this chance every day. We have a distinguished superintendent of education from Alabama. He is sitting here, Dr. Joe Morton, and I am pleased to welcome him here, and I hope to engage him in a few minutes in some questions.

Dr. Morton's impressive background includes, among other things, the creation and implementation of the Alabama Reading Initiative; the Alabama Math, Science, and Technology Initiative; and the First Choice plan, a new graduation plan for Alabama students. We are proud of his tenure. Under his tenure, we have shown significant academic gains in reading and math assessment scores, and he has been judged a national leader in training future teachers and principals.

We are pleased to have you here today, Dr. Morton.

Senator HARKIN. Thank you very much, Senator Shelby.

Dr. Morton, we welcome you here also.

We will start here from just as I introduced, Dr. Cortines over. And I looked over your testimonies last evening. They will all be made a part of the record in their entirety, and I would ask if you could kind of sum it up in, oh, 5 to 7 minutes, and then we can get into some questions and answers.

I have asked this panel to be here to mostly focus on the issue of jobs and what is happening. You heard us talk here before with the Secretary. Senator Shelby talked about it also. What are we seeing out there? What is happening so that we are not caught unawares here? What are we looking at next year in your States, in your districts, things like that, that we should be taking some action on very soon.

If you have other things you want to talk about, that is fine, too. But I would like to focus a little bit on this jobs issue.

Mr. Cortines, welcome again. Here we just had someone from Los Angeles at a hearing yesterday, Green Dot.

Mr. CORTINES. Marco Petruzzi.

Senator HARKIN. Exactly, right. He was on another Committee I chaired yesterday.

Mr. Cortines, welcome, and please proceed.

STATEMENT OF RAMON C. CORTINES, SUPERINTENDENT, LOS ANGELES UNIFIED SCHOOL DISTRICT

Mr. CORTINES. Thank you.

Chairman Harkin and subcommittee members, thank you for this invitation. I head the second-largest district in the Nation. Our enrollment is 618,000 students, and as you know, it is larger than the total number of students who attend public schools in 25 States.

First, let me thank and congratulate Senator Harkin for introducing the Keep Our Educators Working, which would create a \$23 billion education jobs fund modeled after the SFSF that was established in the ARRA. I support this bill and ask all to support for the teachers, the principals, the counselors, school nurses, and other essential public school employees that are losing their jobs.

Today, I ask you to help us to stop the hemorrhaging of teachers and other essential public school employees in Los Angeles and across the Nation in other big cities, in small towns, and in rural areas. Two thousand teachers gone from our district, and more are on the chopping block right now as State funding continues to shrink.

I don't know every name of those 2,000 teachers, but our students do. Who is the first person you see at a school? Office workers, who are disappearing. Our schools would neither be healthy or beautiful without custodians, whose numbers continue to dwindle.

You name it—teachers, principals, counselors, school nurses, cafeteria workers, support personnel—are a part of an unchecked exodus forced by California's financial realities.

Unfortunately, it is not over. The district was forced last month to send out nearly 5,200 reduction in force notices to principals, teachers, and other school-based staff. Some, though certainly not all, will keep their jobs because the unions representing these individuals have agreed last week to shorten the school year by 5 days this June and next year, too, to save \$175 million.

As a result, our students' teachers are losing instructional time and taking a pay cut. Their sacrifices are generally appreciated, but much more is needed to close a \$640 million budget gap. Because of the State budget problems, thousands of noninstructional employees will soon lose their jobs. Many of those lucky enough to keep their positions are subject to unpaid furlough days, a steep reduction of work time, and significant pay cuts during the next school year.

Furlough days are one way to save jobs. I have worked with the unions representing school police, office workers, bus drivers, and others who are willing to work fewer days and earn less so more employees can keep their jobs. That is why I am asking to save our employees and protect the futures of our students.

I am asking to support the \$23 billion in education aid that Members of the House included through the SFSF in the Jobs for Main Street Act. If Congress provides this money, the Los Angeles District could receive approximately \$250 million and save as many as 3,000 jobs.

What more can Washington do? Provide more funding for the disadvantaged students. And it has been said this morning, whether they are in urban districts or mid-sized districts or rural America, President Obama's budget for the fiscal year 2010–2011 freezes title I spending, and that will have a very negative consequence for our district. Devastating to the district's 631 title I schools, it will specifically hurt at least 78 percent of our students based on eligibility for free and reduced lunch periods and hamper our efforts to close the achievement gap.

We appreciate the additional title I dollars received last year. Neither I nor headquarters dictated how that money would be

spent. It was pushed out to the schools, and school teachers, parents, administrators, and the community, they made the decisions on how we would spend that money. For example, many schools chose to hire additional teachers to preserve smaller class size at the primary grades.

Washington can also help keep a promise made long ago to provide 40 percent of the cost of special education. The fiscal year 2010–2011 budget would limit funding to 17 percent, resulting in a shortage of \$172 million for the district. And despite the shortfall, the Federal Government requires special education to get the services, and they deserve to support them in every way.

Paying for these requirements diverts local contributions from the instruction of more than 500,000 students who do not have disabilities.

Senator HARKIN. Mr. Cortines, could I ask you to summarize, please?

PREPARED STATEMENT

Mr. CORTINES. Okay. As I conclude, I want you to know that one of our outstanding seniors, Tyki, read—if you read his bio, you may dismiss him as an unfortunate statistic. Born crack addicted, father passed away, mother incarcerated, bounced from home to home.

Today, Tyki is a straight-A student at Washington Prep High School in south Los Angeles. He is excelling in advanced placement calculus, biology, chemistry, and physics. And when he graduates, he is headed to the U.S. Military Academy. There are countless stories like Tyki in the L.A. student body.

Thank you for your consideration, support, and help.

[The statement follows:]

PREPARED STATEMENT OF RAMON C. CORTINES

Chairman Harkin and subcommittee members, thank you for this invitation to testify on behalf of the Los Angeles Unified School District (LAUSD), the Nation's second largest. I am Superintendent Ramon C. Cortines. Our enrollment of 618,000 students is larger than the total number of students who attend public school in 25 States. I also would like to take this opportunity to thank Chairman Harkin for his strong leadership and advocacy for education issues in the Congress. We stand together in the march toward an educated America, where all students are prepared and encouraged to read, write, think, and speak as 21st century learners who will become the next generation of leaders, teachers, doctors, engineers, writers, electricians, contractors, and business owners. That will not happen if our district and school districts across the Nation in big cities, small towns and rural areas continue to hemorrhage teachers and other essential employees.

CALIFORNIA'S BAD NEWS BUDGET

In California, public education is suffering one of the greatest threats in decades as funding from the State shrinks. Also threatened is an opportunity for great, systemic and long-lasting reform, always a challenge but even more so when the unpredictable budget cuts keep coming, month after month.

The numerous and unyielding reductions in State funding have translated into the LAUSD's current deficit of \$640 million and a projected deficit of \$263 million in 2011–2012. And, the news never improves. State Controller John Chiang recently announced that the upcoming fiscal years will be particularly difficult for our State because the temporary tax hikes approved by the legislature last year will expire; Federal stimulus funds will be gone; and funds that the State borrowed from local governments will become due. Furthermore, the State's Legislative Analyst Office has projected that California will have a \$20 billion deficit every year for the next 5 years.

It is not hyperbole to State that the LAUSD is again facing a budget crisis of the most unprecedented proportion. We have cut \$1.5 billion from our budgets over the past 2 years. That's a lot of jobs.

Two thousand teachers gone last year and more are on the chopping block right now. Office workers, the first person you see at a school, disappearing. Our schools would be neither healthy nor beautiful without custodians whose numbers continue to dwindle. You name it. Teachers, administrators, counselors, school nurses, cafeteria workers, support personnel are part of an exodus forced by financial realities.

LAUSD was forced last month to send out nearly 5,200 reduction-in-force notices to teachers, principals, and other school-based staff. Some, though certainly not all, will keep their jobs because the unions representing our teachers and administrators just agreed last week to shorten the school year by 5 days this June and next in order to save about \$157 million and preserve class sizes that are already too high. Teachers are losing instructional time and taking a pay cut. Their sacrifices are certainly appreciated, but alone do not close the budget gap.

Unfortunately, many more LAUSD employees will soon lose their jobs including thousands of noninstructional staff. Many of the lucky ones who keep their jobs must take more than 40 unpaid furlough days, a pay cut of more than 20 percent as the workload increases. I have worked with unions representing school police, office workers, bus drivers and others who are willing to work fewer days, and earn less so more can keep their jobs.

WHAT WASHINGTON CAN DO—JOBS, JOBS, JOBS

LAUSD is not the only district in California facing layoffs. Statewide, nearly 22,000 teachers have received notices of potential layoffs. According to the California Department of Education, more than 16,000 teachers lost their jobs last year, and roughly 10,000 classified or noninstructional school employees have met the same fate over the last couple of budget cycles. As you can see, public schools urgently need additional money now for the 2010–11 school year.

I applaud members of the House of Representatives for including an additional \$23 billion in education aid through the State Fiscal Stabilization Fund (SFSF) in the Jobs for Main Street Act, which passed in December. I urge the Senate to support similar education jobs relief to save teachers and protect the futures of students. If Congress provides this \$23 billion, it is estimated that LAUSD could receive approximately \$250 million and save as many as 3,000 jobs.

WHAT MORE CAN WASHINGTON DO—MORE MONEY FOR DISADVANTAGED STUDENTS

In addition to an immediate infusion of fiscal relief to save jobs, Washington should provide additional investments in such critical education programs as title I and special education. While the fiscal year 2011 budget proposed by President Obama gives education an overall increase of \$3.5 billion, including a \$3 billion (12 percent) increase for the Elementary Secondary Education Act (ESEA), it freezes title I, which will have serious negative consequences for the LAUSD. It will hurt at least 78 percent of our students, and more as the numbers who qualify for free and reduced-price lunch are increasing. It will be devastating to LAUSD's 631 title I schools.

FULLY FUND SPECIAL EDUCATION

The fiscal year 2011 budget also fails to increase the Federal share of funding for special education, limiting it to only 17 percent of the costs. Congress must make good on the original promise to provide 40 percent. LAUSD currently receives \$135 million in Federal funds for special education, which—if fully funded—should amount to \$307 million, a shortage of \$172 million. During the current school year, LAUSD serves 82,751 special education students. The Individuals with Disabilities Education Act (IDEA) mandates that each special education student receives an individualized education plan, which determines required supports and services regardless of costs that continue to rise. Add to that financial burden, the number of special education students continues to rise. This unfunded Federal requirement forces the diversion of locally contributed general fund dollars from the instruction of the more than 500,000 LAUSD students who do not have disabilities.

STOP THE STATE FROM HIJACKING FUNDS WASHINGTON INTENDS FOR PUBLIC EDUCATION

We appreciate the assistance our schools have already received from Washington. The American Recovery and Reinvestment Act (ARRA) provided critical help during the current school year in the form of additional aid for title I of the ESEA, IDEA,

and through SFSF. The funds LAUSD received allowed us to save approximately 7,000 jobs of teachers and other employees.

With the help of \$359 million from the SFSF, LAUSD was able to save more than 4,600 jobs last year. The ARRA title I and IDEA money helped us save another 2,143 jobs. In the case of the title I dollars, neither I nor anyone else at headquarters dictated how they would be spent. That money was pushed out to schools to decide how the money could be best spent on that individual campus.

Even more jobs could have been saved, but unfortunately, in order to shore up the State's depleting resources, the California Department of Finance kept millions in SFSF that LAUSD had counted on to use this coming year to help fill our \$640 million budget gap. That is certainly not what Washington intended. Given the State's penchant for hijacking dollars earmarked for public education to address its own budget shortfalls, those funds should flow directly to local school districts to protect our students, schools and jobs.

THE UNIQUENESS OF THE LOS ANGELES UNIFIED SCHOOL DISTRICT

As head of LAUSD, I lead the Nation's second largest district. At least 78 percent of our students qualify for either free or reduced-priced lunches. More than 74 percent of our students are Latino, and almost 11 percent are African American. More than 40 percent are English language learners, a reflection of the close to 100 languages and dialects spoken in their homes. LAUSD is the second largest employer in Los Angeles County, with 72,000 employees who serve more than 891 K-12 schools. Our students come from a 710-square mile area that, in addition to Los Angeles, includes dozens of cities and unincorporated neighborhoods located in the surrounding Los Angeles County. In short—our size, our diversity, our mission, and our challenges are great.

INNOVATION

In September, 37 schools—including some brand-new campuses and some of our existing lowest-performing schools—will be operated by nonprofit groups, collaborative teams of teachers and administrators, and charter schools under the new and competitive Public School Choice Initiative. Speaking of charters schools, no district in this Nation has more than LAUSD. Add to these multiple routes to success for our students, partnership and pilot schools. If outsiders can do a better job of educating any of our students, we welcome their help, and we want to learn from their successes. If insiders can do a better job, including teams from the teachers' union and the bargaining unit representing principals and administrators, they are also welcome to help improve our schools.

We also welcome the involvement of more parents. An annual school report card intended for parents and guardians chronicles strengths and weaknesses of each campus ranging from academic achievement to attendance, while also tracking failures and soaring improvement in categories such as parental involvement per school.

NOT SATISFIED WITH CHRONIC FAILURE

To address the specific needs of a low-performing school, I ordered the turnaround of one high school under the No Child Left Behind Act. A new principal is already on-board and teachers, including veterans and newcomers, are applying for the opportunity to boost student achievement. That is just the beginning.

At Belmont High School, teachers, students, and the community overcame decades of struggle and overcrowded classrooms to raise its State standardized Academic Performance Index (API) score by 78 points last year. Belmont High is part of the Belmont Zone of Choice where all area students select between the historic campus and three newly built high schools where students are educated through small learning communities and pilot schools focused on various careers and themes.

PROGRESS

LAUSD employs more than 30,000 teachers ranging from miracle workers and outstanding instructors to some who are not making the grade. Help is provided through professional development and peer assistance review a collaborative program with the teachers union. In addition, I have toughened a flawed evaluation process that too often allowed all but the weakest teachers to pass probation and get tenure, which translates into a job for life. Principals are being held accountable for weeding out nonpermanent teachers who are neither a benefit to students nor schools. Probationary teachers who received "needs improvement" in one or more

categories in their last evaluation are being scrutinized as are 175 permanent teachers who received an overall “below standard” evaluation. Teachers who have received sub par evaluations for the past 2 school years, will not get a third chance. As a result, in June, more ineffective permanent and probationary teachers will be ushered out of this District—so better teachers will not be laid off.

CONCLUSION

Clearly the LAUSD needs your help. Please make public education your highest priority and fund this historic opportunity for reform. Teacher and other school-related jobs should be viewed as an investment in America’s present and future. Every job lost adds to the unemployment rate and the housing foreclosure crisis—but in this case, it also hinders the education of hundreds of thousands of students in the Los Angeles area and across the Nation. Education-related jobs directly impact our students’ futures in ways that can only be partially quantified at this time. The loss of instructional days, class offerings, enrichment courses, Arts programming, and other vital services may negatively affect our students for generations.

Again, I would like to thank Senator Harkin for the opportunity to testify today, and for his strong and continuing leadership for education.

Senator HARKIN. Thank you very much, Mr. Cortines.

Mr. Bern, welcome.

STATEMENT OF CHRIS BERN, PRESIDENT, IOWA STATE EDUCATION ASSOCIATION

Mr. BERN. Thank you, Chairman Harkin, Ranking Member Cochran, and members of the subcommittee.

My name is Chris Bern, and I have been a public school teacher in Iowa for more than 30 years. Two years ago, I was elected to serve as president of the Iowa State Education Association, representing 34,000 dedicated educators in more than 350 school districts across Iowa.

We are fortunate in Iowa to have some of the best public schools in the country. Yet today, in Iowa and across the country, scores of talented, experienced teachers and education support professionals are at risk of losing their jobs due to historic State and local budget deficits.

I am very worried about what this means for our economy, as investments in education are inextricably linked to economic strength. But more importantly, I am worried about what it means for our students.

A school district facing massive job losses will face larger class sizes and/or elimination of programs, both of which are detrimental to students. Not one fewer student is coming through our doors because of the economic crisis. They still need us to help them, inspire them, and educate them every single day.

The education jobs crisis is not only about adults. It is about children, who get only one shot at an education and didn’t ask to go to school during this crisis. Although our State revenue picture improved slightly this spring, we still anticipate as many as 1,500 teachers and support workers will receive pink slips. That’s almost 4 percent of Iowa’s education workforce. And that doesn’t count the other positions not being filled due to retirements and attrition.

The education investment in the ARRA was critically important. It funded 6,715 education jobs in Iowa—teachers, librarians, nurses, and support workers. Close to 5,000 of those jobs resulted directly from the aid in the SFSF. We desperately need this aid extended now.

Let me tell you about one of my colleagues whose job was saved because of ARRA, an Iowa City special education teacher who was pink-slipped last year. She split her time in two schools working with students needing individual assistance. Without her, these students most certainly would fail. ARRA saved her job. She is now employed full time at Penn Elementary and continues her work with special needs students.

What would the classroom be like without her and others like her? If she had lost her job, she says that she may have left the profession. We cannot afford that collateral damage either.

The Senate needs to act quickly on an education jobs package. The House has already passed \$23 billion for an education jobs fund. That bill will help save or fund as many as 4,900 Iowa education jobs.

I want to thank you, Senator Harkin, for your leadership in introducing a similar bill in the Senate this week, the Keep Our Educators Working Act. I hope your colleagues will support it and approve it quickly.

My colleagues back home asked me to deliver a strong message—please act now to help avert the looming layoffs that will reach into almost every Iowa community, threatening our economic recovery and our students' education.

I also ask the Senate to look closely at the administration's proposal to increase the use of competitive education grants. Formula grants provide a solid foundation of resources needed to ensure a quality education. This has never been more important than in today's economy. Many rural districts would simply be unable to compete, as they do not have staff to write grant proposals. Instead of winners and losers, all districts should receive the resources they need to succeed.

PREPARED STATEMENT

My bottom line today is that Iowans expect our schools and our teachers to receive the support they deserve. Please give us those resources, and I promise that we will attract and keep the brightest educators, and we will continue to educate the future of this great Nation.

Thank you.

[The statement follows:]

PREPARED STATEMENT OF CHRIS BERN

Thank you, Chairman Harkin, Ranking Member Cochran, and the members of the subcommittee for allowing me this opportunity to speak before you today. I applaud you, Chairman Harkin, and your subcommittee for holding this hearing today to discuss the urgent need for continued investment in education jobs. This hearing couldn't be timelier, as immediate action is needed to jumpstart local economies, and keep our schools fully staffed at a time when many students and families are experiencing great stress.

My name is Chris Bern and I have been a public school teacher in Iowa for more than 30 years. I began my career teaching middle school math in Woodbine and moved to Knoxville, where I taught math at the high school, alternative high school, and middle school level over the years. Two years ago I was elected to serve as President of the Iowa State Education Association. I am proud to represent 34,000 dedicated educators in more than 350 school districts across Iowa.

We are fortunate in Iowa to have some of the best public schools in the country. We have a long history of attracting the best and the brightest to teach in our schools and we have the graduation rates to prove that we are doing our jobs well.

If educators are given the proper resources and supports, the sky is the limit on learning for our students. Study after study proves that the most important factors in a student's ability to learn are the skills and knowledge of teachers and education support professionals.

Yet today, in Iowa and across our country, scores of talented, experienced teachers and education support professionals are at risk of losing their jobs due to historic State and local budget deficits. In fact, this spring, Iowa's teachers were faced with the threat of massive "pink slips" as the State's proposed budget dipped well below what schools' needs were. School superintendents throughout the State threatened massive layoffs as American Recovery and Reinvestment Act (ARRA) money was used up and State money did not fill in the gaps.

I am very worried about what this means for our economy, as scores of research and common sense tell us that investments in education are inextricably linked to economic strength. More importantly, however, I am worried about what it means for our students.

In our experience there are only two outcomes for a school district facing massive job losses: larger class sizes or the elimination of programs, both of which are detrimental to students. In Iowa and across the country, school boards and superintendents have released proposals to increase class sizes, and reduce program offerings. In Iowa, music, arts, and physical education programs were all on the chopping block. Class sizes ballooned and "excess" positions were proposed for elimination. Not surprisingly, parents and other concerned Iowans have been in an uproar, because they realize that Iowa's children will suffer. Iowans have gotten a glimpse of what these job losses might mean for their kids and they don't like what they see.

Not one fewer student is coming through our doors because of the economic crisis. They still need us to be there helping them, inspiring them, and educating them every single day. The education jobs crisis is not only about adults, it is about our children, who get only one shot at an education and didn't ask to go to school during this time of economic crisis. Little Johnny still deserves the same quality education his sister got when she walked through our doors during better times.

We got a small break this spring as our State revenue picture improved slightly. In the end though, the layoffs and the other cuts are expected to be as drastic as predicted. The picture will be clearer by the end of this month when our State requires layoff notices to be sent. But we know it will not be a pretty picture. We anticipate the number of teachers and education support professionals who will receive pink slips to be as high as 1,500. That's almost 4 percent of our education professional workforce in Iowa. That number doesn't even take into account the number of positions which will be lost due to retirements and attrition.

The education investment in the ARRA was critically important to us in Iowa. It funded 6,715 education jobs in Iowa—teachers, librarians, nurses, support workers, as the most recent Department of Education report shows. Close to 5,000 of those jobs came as a direct result of the aid in the State Fiscal Stabilization Fund (SFSF). We desperately need this aid extended before the next school year.

I want to tell you about one of my colleagues whose job was saved because of ARRA.

Recently, we spoke to a special education teacher in Iowa City who was pink slipped last year. She split her time in two schools working with students needing individual educational assistance. Without her position, these students wouldn't get the one-on-one assistance and would most certainly fail. ARRA saved her job. She is now employed full time at Penn Elementary and continues her work with special needs students. What would the classroom be like without her and others like her? Who would help these students?

We asked if she had lost her job last spring, would she have left the profession. She didn't know. We cannot afford that collateral damage either.

So, how can the Senate help?

First, the Senate needs to act quickly on an education jobs package. As you know, last December, the House of Representatives passed a jobs bill that included \$23 billion for an Education Jobs Fund—essentially an extension of the SFSF in the ARRA. We project that bill would provide Iowa with enough emergency aid to help save or fund as many as 4,900 education jobs. Needless to say, this could go a very long way in helping to avert the crisis that is right in front of us.

My colleagues back home asked me to come here to deliver a strong message—please act now to approve additional Federal aid targeted to help avert the looming layoffs that will reach into almost every Iowa community, threatening our economic recovery and our students' education.

Leaving States to cut education more deeply—and we already are cut to the bone—without additional Federal aid is short-sighted. Lessening the quality of education a student receives today as a result may prove irreversible. Long-term pro-

ductivity growth and a higher standard of living are dependent on an educated workforce.

Second, I want to ask the Senate to look very closely at the administration's proposal to use competitive education grants to allocate Federal money. Formula grants provide a solid foundation for the resources needed to ensure a quality education. While that foundation has always been important, it has never been more so than in today's difficult economic climate. Our schools need a level of certainty and stability in funding that they can count on, without having to divert scarce time and resources to grant applications. Many of our rural districts would simply be unable to compete, as they do not have the staff to write grant proposals. We believe a competitive system serves only to create funding winners and losers, rather than providing all districts the resources they need to succeed.

Chairman Harkin, Ranking Member Cochran, and the members of the subcommittee, my bottom line today is that Iowans expect our schools—and our teachers—to receive the support they deserve from the Federal and State governments.

A lot of very smart people in Washington often talk about the next best thing to solve our Nation's education crisis. But, the answer isn't the next "silver bullet" to raise all test scores. It isn't the next greatest strategy to raise kids' reading skills. And, it isn't some magical test that will suddenly unlock every student's learning potential and every teacher's worth. I want to make one thing crystal clear: Teachers are not the problem here. We are the solution. We have been in the classroom each and every day teaching students. We just need the resources to do our work.

So, please give us those resources to help ensure the fiscal stability of our educational system, and ensure that our schools stay fully staffed and I promise that we will attract and keep the best and brightest educators and we will continue to educate the future of this great Nation.

The road to economic stability and prosperity for Iowa and our Nation runs through our public schools, and each and every student deserves the best we can offer.

Thank you for the opportunity to provide this testimony.

Senator HARKIN. Thank you very much, Chris.

And now we will turn to Dr. Joe Morton.

STATEMENT OF JOSEPH B. MORTON, Ph.D., STATE SUPERINTENDENT OF EDUCATION, ALABAMA STATE DEPARTMENT OF EDUCATION

Dr. MORTON. Thank you, Chairman Harkin.

My own Senator, Mr. Shelby, thank you.

Thank you for inviting me to testify before the subcommittee today on the current fiscal crisis facing the States and its impact on education-related jobs across the country.

I am Joseph B. Morton and have been introduced as State superintendent of education, and I am here representing Alabama. But also I represent the Council of Chief State School Officers, which is an organization that represents 50 State superintendents of education, the District of Columbia, the Department of Defense Education Activity, and 5 U.S. extra-State jurisdictions.

And I am here to offer full support for a \$23 billion jobs bill for education on behalf of my organization and my State. We need this money to keep our educators working.

Unfortunately, as we all realize, State budgets lag behind a national recovery. In fact, in the Rockefeller Institute of Government report recently released, tax collections have declined for four consecutive quarters across the United States in State budgeting.

States are now in the process of developing and finalizing fiscal year 2011 budgets. And without some kind of quick and near-term action, this continuing fiscal crisis will result in additional job cuts at a time when the Nation and Congress are centrally focused on the need for job creation and retention.

I call your attention to my home State, as my own Senator Shelby has so eloquently already described, a State that is depend-

ent on and very aware of the sensitivity to the economy because our educational activities in Alabama are funded on a statewide 4-cent sales tax and individual and corporate income taxes. So as the economy moves, so moves educational funding in Alabama.

And as Senator Shelby outlined, we thought we were in good times in 2008 because in the spring of 2007, as we developed that 2008 budget, we had a record education budget of \$6.7 billion. We had 3.4 percent unemployment, which is still 73,000 people. But it was low, and we thought things were good, and then the bottom fell out.

And here we are today, \$1.2 billion less in State funding. One point two billion dollars out of a \$6.7 billion budget has gone away in State funding.

Our schools and our State's schoolchildren and their families are hurting, and Alabama is not alone. Our unemployment rate today of 11.1 percent is 227,000 people that cannot find work. That impacts the education funding for our State.

As of Monday of this week, I completed a survey of all 132 school districts in my State, and based on the budget that was adopted last week by the Alabama Legislature, I asked local superintendents of education to tell me how many jobs would be cut based on that budget. My response came back, regrettably, that as our student population is increasing, we will lose 1,599 teachers and administrators, and 1,228 support workers. A total of 2,827 fewer jobs in August of this year, as opposed to today.

We know the California situation. We know that in Illinois, it is just as bad. Ten thousand layoffs already in Illinois, and another 10,000 predicted. We know that layoffs are all relative to the size of the district. I can tell you in our State of Alabama, there are counties that if they lay off 12 people, that is equal to 1,200 in some districts. It is relative to the situation, and we have virtually every district in our State laying off people.

Education, as we know, is a long-term investment. It strengthens the Nation's economy and, over time, provides a strong return on investment. We know that we need a jobs bill. We know that the ARRA, especially the SFSF, worked in our State, and it worked across this Nation.

The University of Washington found that 342,000 jobs were funded by that ARRA. And we know in Washington State, 2,700 jobs; South Carolina, 5,000; and in Alabama, we know that we can save with the continuation of that act 2,772 jobs.

We have elected in our State to split the current ARRA SFSF over 2 fiscal years so we would avoid the worst of the funding cliff, and it still was not enough. Even with that, even with our budget of 2011 including one half of our SFSF, we still will lose 2,700 jobs.

So, with that, may I conclude by saying that my association, the Council of Chief State School Officers, also supports in principle the blueprint for reform, but we have some questions. We have some interest in the detail of that, and at the expressed desire of the chair, I won't go into that at this time since this is more focused on a jobs bill.

PREPARED STATEMENT

But let me conclude by saying that not only is it my strong personal—I offer my strong personal support, but I offer the support of 50 State superintendents of education for a jobs bill in our Nation and soon.

[The statement follows:]

PREPARED STATEMENT OF JOE MORTON

Chairman Harkin, Ranking Member Cochran, Senator Shelby, and members of the subcommittee, thank you for inviting me to testify before the subcommittee today on the current fiscal crisis facing the States and its impact on education-related jobs across the country. My name is Joe Morton and I am here today in my capacity as State Superintendent of Education for the great State of Alabama and as a member of the Council of Chief State School Officers, a national organization representing the State superintendents in all 50 States, the District of Columbia, the Department of Defense Education Activity, and 5 U.S. extra-State jurisdictions.

As my time is limited, I will get right to the point, State governments continue to struggle with the budgetary challenges associated with the severe economic downturn this Nation has been facing since 2007. I'm here today in strong support of the House-passed Jobs for Main Street Act and its \$23 billion extension of the State Fiscal Stabilization Fund. Schools need additional funding now or school boards will be forced to cut teaching and other key positions in our public schools. Fewer teachers in the classroom will only frustrate needed reforms in the Nation's persistently lowest-performing schools and the improvements that schools must make to ensure that all students leave high school ready for college and careers.

Unfortunately, State budgets lag behind any national recovery by a year or more, so even as we are beginning to see economic growth at the national level, much State fiscal turnaround may still be some time away. In point of fact, the Rockefeller Institute of Government reported that State tax collections have declined for four consecutive quarters. Due to these revenue declines, 36 States were forced to cut more than \$55 billion for fiscal year 2010 and 30 of those States cut both K-12 and higher education. Since the start of this recession, States have reported total estimated budget gaps of almost \$430 billion, and the Center for Budget and Policy Priorities reports remaining budgetary gaps of more than \$140 billion just for the upcoming fiscal year.

States are in the process now of finalizing their budgets for fiscal year 2011. Without near-term action, this continuing fiscal crisis will result in additional jobs cuts at a time when the Nation and Congress are centrally focused on the need for job creation and retention.

I call your attention to my home State as a prime example of what is so prevalent in many States. Alabama is unique in many ways, but one is that it has two budgets to operate all State-supported agencies, programs, and institutions. The General Fund Budget funds all State agencies such as transportation, prisons, Medicaid, public safety, etc. The education budget funds all State-supported education endeavors from Pre-K to medical schools. Both funds have dedicated State taxes to support annual appropriations from the Alabama Legislature.

In looking at education funding and personnel issues, one only has to look at the last four education budgets approved by the Legislature and to correspondingly look at State-unemployment figures for the same fiscal years. Realizing that the two largest education revenue sources used for funding the education budget are a statewide 4 cent sales tax and personal and corporate income taxes, it is readily apparent that the State education funding is directly tied to current economic conditions. Accordingly, if State revenues are lagging then correspondingly one would assume local school system revenues are lagging also. Of the 132 school systems in Alabama, 60 have established lines of credit from local banking institutions and either currently use this financial tool or will use it this fiscal year in order to meet payrolls and keep current on their monthly expenses.

Funding for the past 4 fiscal years and the unemployment rates for those years shown on the following chart give a very clear and vivid indication as to why State education funding is in crisis in Alabama and why a jobs bill approved by Congress would be vitally important to educational progress in Alabama and across the Nation:

ALABAMA EDUCATION BUDGETS AND UNEMPLOYMENT RATES—FISCAL YEAR 2008–2011

Fiscal year 2008 Education budget (Adopted Spring 2007) \$6,729,089,656	Unemployment rate in Alabama (February 2007) 3.4 percent—73,551 people
Fiscal year 2009 Education budget (Adopted Spring 2008) \$5,693,326,351 (Includes a mid-year 11 percent reduction of funds)	Unemployment rate in Alabama (February 2008) 4.1 percent—88,972 people
Fiscal year 2010 Education budget (Adopted Spring 2009) \$5,322,329,577 (Includes a mid-year 7.5 percent reduction of funds)	Unemployment rate in Alabama (February 2009) 8.7 percent—187,149 people
Fiscal year 2011 Education budget (Adopted Spring 2010) \$5,495,772,478	Unemployment rate in Alabama (February 2010) 11.1 percent—227,717 people

A State survey conducted by my office of all 132 school systems, which concluded on April 12, 2010, indicates that even with a State-adopted education budget for fiscal year 2011, which includes the use of State Fiscal Stabilization Funds, there will be 2,827 fewer jobs in Alabama's K–12 public schools in August 2010 than exists today, even as the student enrollment increases. This is why Alabama educators support a jobs bill.

Sadly, Alabama is not unique in this alarming regard. As has widely been reported, California sent 23,000 pink slip notifications out just last month. Illinois has already announced close to 10,000 teacher layoffs with an additional 10,000 predicted. Just 4 school districts in Mississippi combined to lose 160 teachers and a single school district in Wisconsin is planning to cut 50 jobs.

In addition to the near-term impact these cuts will have on individual students, the reductions will also harm the Nation's productivity. Education is a long-term investment that strengthens the Nation's economy over time and provides a strong return on investment. For example, a recent study by the Alliance for Excellent Education found that cutting the dropout rate in the Nation's 50 largest cities in half would lead to \$536 million in increased tax revenue, an additional \$2.8 billion in spending and more than \$4 billion in increased earnings per year. Given these profound figures, education must be among the highest-priority investments for the country even during challenging budgetary times.

There is no doubt in my mind that the current crisis would have been far worse if not for the significant education funding provided by Congress for the American Recovery and Reinvestment Act and the State Fiscal Stabilization Fund (SFSF) more specifically. What we know is that SFSF worked. A recent study by the Center on Reinventing Public Education at the University of Washington found that more than 342,000 jobs are funded by the Recovery Act. SFSF funds paid for 2,700 education jobs in Washington State alone and almost 5,000 in South Carolina.

Since we know that the SFSF worked, an extension is not only logical but urgently needed to help sustain our commitment to education reform and improvement. Estimates of the proposed SFSF extension would provide an additional \$345 million for the State of Alabama, funding an estimated 4,150 education jobs. New Hampshire would see an additional \$95 million and save 2,000 jobs, and Tennessee would see almost \$450 million for an estimated 1,700 education jobs. In total, the House-proposed extension would fund 250,000 education-related jobs across the country.

In spite of the current economic crisis and the challenges facing State governments, American education is experiencing a period of significant transformation and reform. States are focused like never before on strengthening standards and assessments, improving systems of educator development, and developing comprehensive data systems and the next generation systems of learning. As you know, CCSSO, in collaboration with the National Governor's Center for Best Practices, is close to finalizing the common core standards for college and career readiness in Mathematics and English Language Arts. This historic step is but one of many groundbreaking reforms that States are undertaking to develop coherent birth-to-20 high-performing systems of comprehensive reform that promote continuous improvement at all levels of the education spectrum.

To make these efforts fully come to fruition though, we need a stable funding stream and a new State-Federal partnership—through the reauthorized ESEA—to help ensure Federal investments keep pace with the changing landscape and the increased role of the State as leading comprehensive reform. The President’s proposed budget is a strong starting point, but State chiefs would like to highlight several areas in need of greater investment.

First, current funds for student assessments are woefully inadequate to develop high-quality summative assessments, let alone to develop the next generation of formative and interim assessments. The \$350 million Race to the Top Assessment set-aside is appreciated, but long-term funding is needed within ESEA to implement and sustain any product of this new competition.

Second, States recognize the need for focus and attention on the persistently lowest-performing schools through concerted school improvement interventions. But as SEAs now play the central role in providing technical assistance and other supports to their struggling districts and in many cases directly intervene in schools that are chronically underperforming, States are very hopeful that Congress will provide additional resources. Building State-level capacity is an essential component to state-wide school turnaround.

Third, State chiefs understand and appreciate the value of new competitive grant programs as a catalyst for driving reform, but we implore the Congress to view those increases as above and beyond core funding for key formula programs like title I, IDEA, and State Longitudinal Data Systems. These investments are needed to ensure that all students, regardless of income, race, special needs, or other characteristics, are receiving a high-quality education.

Lastly, let me say that State chiefs strongly support the Department’s proposed consolidation of programs into 11 more coherent funding streams. Such an approach will provide States with increased flexibility to target resources toward the greatest areas of need. This change will certainly enable States to better allocate Federal resources and will also eliminate redundant reporting.

In closing, let me again issue my strong personal support and that of the other chief State school officers around the country for an education jobs fund. It is needed and it will pay dividends.

Thank you again for inviting me to testify before the subcommittee today. I look forward to answering your questions.

Senator HARKIN. Thank you very much, Dr. Morton.

Dr. MORTON. Thank you.

Senator HARKIN. Very eloquent statement. And now we turn to summarize things up here, Mr. Herzog. Welcome.

STATEMENT OF MARC S. HERZOG, CHANCELLOR, CONNECTICUT COMMUNITY COLLEGES

Mr. HERZOG. Thank you, Chairman Harkin, Ranking Member Cochran, and distinguished members of the subcommittee, we thank you for this opportunity to appear before you today.

My name is Marc S. Herzog, and I am the chancellor of the Connecticut Community Colleges. I am also here today on behalf of the American Association of Community Colleges, which represents the Nation’s approximately 1,200 community colleges, which are currently enrolling almost 8 million students.

The Connecticut community college system is a State system of publicly supported 2-year colleges. This is a precarious time for community colleges. Our ability to sustain the current level of education services and to respond to the enormous demands being placed on us carries with it a profound long-term economic implication.

Community colleges play a significant role in the education and skill building of the American workforce. And certainly, that has been recognized by President Obama, who has challenged community colleges to graduate 5 million more students by the year 2020.

Enrollments in the Nation’s community colleges have surged dramatically during this recession. Credit enrollments have risen in

the last 2 years by 16.9 percent. That is 1.2 million students. These dramatic enrollment increases have caused our colleges to literally scramble to expand our course offerings and student support services while undergoing cuts in public funding, which have been averaging 4 percent per year in each of the last 2 years.

Despite every budgetary strategy imaginable, doing more with less, we believe that hundreds of thousands of individuals have effectively been denied access to community colleges over the last 2 years because of the lack of availability of program offerings. This is really a national tragedy because community colleges serve students who frequently have no other option to attend college but a community college.

Let me turn to the situation in Connecticut, since it reflects what is actually occurring nationally. Let me also add that there are many 4-year public institutions in higher education that face a similar situation.

Connecticut's community colleges are serving more than one-third more students today than we did a decade ago. We have an increase of more than 58 percent in full-time equivalent enrollment. That is actually the measure of the amount of teaching that is going on in our classrooms today of a count of credit hours.

We serve 50 percent of the undergraduates in public higher education, and we serve two-thirds of the minority students attending public higher education. Last fall, our enrollments grew by 10 percent at a time when our system budget declined by more than 10 percent.

Our State general fund support for public higher education is funded at maintenance of effort level in compliance with the ARRA SFSF. The Federal ARRA SFSF in Connecticut was used to preserve educational services in the K-12 sector. But despite the stimulus funding, the State of Connecticut today, this fiscal year, is still facing a \$500 million deficit with a \$700 million adjustment still necessary for the next fiscal year, fiscal year 2011. And the State is expected to face a \$4 billion shortfall in the next biennium.

Given this and similar situations across the country, we need to help avoid I believe what you termed earlier, Senator Harkin, the cliff. We support and urge the enactment of a Keep Our Educators Working Act, which dedicates \$23 billion to retaining, hiring, and training educational personnel. At almost 70 percent of the total budget for community colleges are devoted to labor costs, this legislation becomes critical for our institutions.

Mr. Chairman, we thank you for your leadership on this issue and for recognizing the importance of supporting public K-12 and higher education in our hour of extreme need. We believe that without substantial Federal investment in education jobs, that faculty, academic, and institutional support staff and administrators will be laid off in many States. But more importantly, thousands of students of all ages will lose opportunities to gain education and skills needed to turn around our economy and to contribute to America's future prosperity.

We understand the tremendous constraints that Congress is operating under, but we see no alternative to some form of Federal assistance.

Finally, in addition to the Keeping Our Educators Working Act, there are numerous Federal education and workforce programs that are essential to community colleges. Let me just comment very briefly on three.

The Pell Grant program, which we are thankful to this subcommittee for your support. Pell Grants provide the opportunity to attend higher education for a significant portion of our population. One-third of the population today receiving Pell Grants attend an American community college.

The strengthening institutions program included in the title III act of the Higher Education Act, this program will clearly provide a great force for institutional improvement.

And last, the Career Pathways Innovation Fund, which the Obama administration has proposed eliminating, this program, under its previous name, the Community Job-Based Training Grants Program, has had a very positive impact on community colleges and our local economies, and it would be very shortsighted to terminate it.

PREPARED STATEMENT

Mr. Chairman, I thank you for this opportunity to appear before you today, and I certainly would be happy to respond to any questions you might have.

Thank you.

[The statement follows:]

PREPARED STATEMENT OF MARC S. HERZOG

Chairman Harkin, Ranking Member Cochran, and distinguished members of the subcommittee, thank you for the opportunity to appear before you today. My name is Marc S. Herzog and I am the chancellor of the Connecticut Community Colleges.

The Connecticut community college system includes 12, 2-year public colleges with a shared mission to make educational excellence and the opportunity for life-long learning affordable and accessible to all Connecticut citizens. The colleges provide general education programs for career enhancement; transfer programs to expand access to 4-year degrees; developmental education programs to reduce academic barriers; student services to enhance student success; community service programs; and career education for jobs in such areas as nursing and allied health, information technology, emergency services, and early childhood education. Together these colleges provide the State of Connecticut with a solid, statewide foundation for higher education and workforce development.

I am here today on behalf of the Connecticut Community Colleges and the American Association of Community Colleges (AACC), which represents the Nation's 1,177 community colleges. Rising enrollments, declining State and local funding, and the economic freefall have presented a veritable crisis for our colleges. Without substantial financial investments in education jobs, not only will faculty and administrators be laid off in many States, but thousands of students of all ages will lose opportunities to gain the education and skills needed to turn around our economy and contribute to America's future prosperity.

ENROLLMENT SURGE

Typically, enrollments in postsecondary education increase during difficult economic times. Enrollments at the Nation's community colleges have surged dramatically, with credit enrollments rising 16.9 percent over the last 2 years, to approximately 8 million credit students, just under half of the Nation's undergraduates. Full-time enrollments (FTEs) increased by 24 percent over the same period. These unprecedented enrollment increases have been fueled both by new high school graduates and adult learners returning in droves to community college classrooms.

For younger students and their families, lower tuitions at community colleges make them an affordable option; the average tuition for a full-year, full-time student is just \$2,544, which enables most community college students to avoid debt en-

tirely. For older students, unemployment and threats of job loss reinforce the importance of college degrees and new skills training to secure employment in today's highly competitive market. Both new graduates and adult learners benefit from the partnerships community colleges continue to forge with business and industry.

These dramatic enrollment increases have presented many challenges. Colleges have been scrambling to expand their course offerings despite serious budget constraints, and students have learned that they must apply early for financial aid and register in advance for classes. Nevertheless, we believe that hundreds of thousands of individuals have effectively been denied access to community college over the last 2 years due to the unavailability of program offerings. This is a national tragedy. While very few community colleges cap enrollments or admissions outright, this is done in the de facto policy when students cannot access the programs they need.

These access issues carry with them profound long-term economic implications for the country. On average, community college graduates earn 23 percent more annually than those who only hold a high school diploma.

In Connecticut, community colleges are serving more than one-third more students than they were a decade ago, with double digit increases in enrollments system wide this academic year. Community colleges serve as the point of entry into higher education for more than 50 percent of Connecticut's undergraduates in public higher education, including two-thirds of the State's minority undergraduates. Last fall, a record-breaking 55,112 headcount students registered for credit courses at the Connecticut Community Colleges. Another 35,000+ students will enroll in noncredit programs throughout the year with approximately 50 percent of these students focusing on acquiring the skills required by the State's employers and the workforce of the 21st century.

STATE BUDGET CRISIS AND STIMULUS FUNDING

The economy in Connecticut, the State budget and the budget for higher education, continue to face enormous challenges, particularly within the community college sector where enrollment growth has consistently exceeded that of other public and private colleges. In Connecticut, our college funding comes from tuition and fees, Federal, State, and private grants, and the State's general fund. Last fall enrollments grew by approximately 10 percent at a time when the college system's budget had declined through reductions and rescission by more than 10 percent.

The Connecticut community college system budget for the current year is just below the fiscal year 2008 funding level. State general fund support for public higher education is funded at maintenance of effort levels in compliance with the American Recovery and Reinvestment Act (ARRA) State Fiscal Stabilization Funding (SFSF) requirement. Federal ARRA State fiscal stabilization funding was used to preserve the State's educational services in the K-12 sector. Despite the influx of Federal stimulus funding, the State is facing a \$500 million deficit in the current fiscal year with a shortfall of \$700 million projected for the fiscal year 2011. In the 2012-2013 biennium, with stimulus funding exhausted, the State will face a \$4 billion deficit.

The Connecticut community colleges have exerted extraordinary efforts to absorb and serve the expanding enrollments and growing educational needs of the students who have turned to them in the last 2 years—16.8 percent more FTE students since 2008, with a budget below the fiscal year 2008 level. While additional students bring added tuition revenues, they also bring increased demands that must be met with reduced resources. Colleges raise tuition modestly each year in an effort to balance student access and affordability with unavoidable cost increases.

The capacity of our colleges is stretched to the breaking point and the continued growth that we anticipate in the next 2 years and beyond cannot be met without adequate funding support. Yet higher education is frequently looked to as the "balance wheel," according to a report from the American Council on Education, in the State budget process, particularly when budgets are in decline and demand for services are growing. Unfortunately, the burdens of the current economy and the heavy weight of economic forecasts are pushing any attempt at balance beyond the tipping point.

In virtually every State, community colleges as well as the 4-year public colleges and universities face State funding reductions. Despite rising enrollments, these State budget cuts have led to layoffs, furloughs, reduction in hours for adjunct faculty, and hiring freezes. Colleges are stretching services to the limit, and, in many places, turning students away.

The ARRA SFSF has helped to blunt what would have been even deeper State budget cuts to education. According to a recently released report by the State Higher Education Executive Officers, 15 States used ARRA funds in fiscal year 2009 "to

cover operational shortfalls, accounting for 3 percent of total State and local support for higher education.” In fiscal year 2010, SFSF funding comprised 10 percent of all higher education funding in 9 States. Community college leaders in several States report that ARRA funds have helped them avoid significant layoffs, temper tuition increases and serve more students. But, these same officials are deeply concerned that public higher education is facing a budget cliff with the expiration of ARRA funding. A few examples:

- Community colleges in Iowa received \$23.1 million from the SFSF and \$2.5 million from the government services funds (total of \$25.6 million) in fiscal year 2010. There were no funds in fiscal year 2009 and there are no funds for fiscal year 2011. These funds were used to avoid layoffs and reduce tuition increases in fiscal year 2010. As an example, for the July 1, 2009–March 31, 2010 time period, a total of 257 full-time equivalent employees were retained as a result of this funding (401,106 hours worked). Even with this ARRA support, State appropriations for community colleges will have decreased by 13 percent between fiscal year 2009 and fiscal year 2011.
- In Colorado, ARRA funds were used to revert a 49.5 percent cut in State appropriations to community colleges in fiscal year 2009–2010. ARRA funds and the ARRA maintenance-of-effort (MOE) requirements will help to blunt cuts to the colleges in fiscal year 2010–2011, though they still face a cut of 7.2 percent that would have been 17.8 percent without ARRA funds. Looking ahead to fiscal year 2011–2012, without the same MOE requirements in place and having already expended its ARRA funds, the Colorado community colleges fear deep cuts are in store for them without another direct infusion of Federal funds.
- The Alabama Community College System received approximately \$35 million in ARRA funds, split evenly between fiscal year 2010 and 2011. These funds have helped to mitigate (but not eliminate) the need to raise tuition and fees and have saved 341 jobs. The ARRA funds have also allowed the Alabama system to serve more students and avoid enrollment caps.
- In Washington, \$8.5 million in ARRA funds helped to restore a 9 percent cut to community colleges in fiscal year 2009–2010, allowing them to serve 1,500 FTE students. ARRA funds and the MOE requirements have also muted potential budget cuts for fiscal year 2010–2011, but the colleges are still expecting a 4–5 percent cut. Here, too, college officials are very concerned about profound budget cuts once the ARRA funds are expended.

EDUCATION JOBS BILL

Given that State tax revenues are not likely to recover in time, community colleges and other public higher education institutions desperately need additional Federal resources to avoid this anticipated “cliff” effect in many States. For this reason, AACC urges enactment of legislation containing an “Education Jobs Fund,” as in the legislation introduced today by Senator Harkin and the original House-passed “Jobs for Main Street Act.” Action of this nature is needed in order to avert major cuts on many of our campuses, which in turn will lead to a further denial of access to our programs. Approximately 70 percent of the total budgets of community colleges are devoted to labor costs. Without enactment of the “Keep Our Educators Working Act” or similar legislation, it is unclear how many community colleges will manage.

The proposed legislation would create a \$23 billion “Education Jobs Fund,” like that in the SFSF to help States and localities retain teachers and faculty. We appreciate the recognition of the importance of both K–12 and higher education funding in this legislation. Further, with the inclusion of MOE language, the legislation should ensure that the Federal investment in public education will achieve its full and intended impact.

FISCAL YEAR 2011 FUNDING

Numerous Federal education and workforce training programs are essential to community colleges and the students they serve, providing critical student financial aid, institutional support, and resources to train workers for highly competitive jobs. Many of these initiatives also help community colleges hire and retain faculty for specific programs. The recently enacted budget reconciliation legislation provides significant investments in Federal student aid and institutional assistance, as well as funding for the Community College and Career Training Grant program, a new Trade Adjustment Assistance program that was created (but not funded) by ARRA.

The following represents some of the funding priorities for community colleges for fiscal year 2011.

THE FEDERAL PELL GRANT PROGRAM

A record number of students are relying on Federal Pell Grants. Nearly 9 million college students, approximately one-third of them attending community colleges, will receive Pell Grants in fiscal year 2011. For community college students, the Pell Grant program remains by far the most important student aid program.

Community colleges are grateful for the significant investments made in the Federal Pell Grant program under provisions contained in the recently enacted budget reconciliation legislation. These increases will enhance access and help students steer clear of debt. The Connecticut Community Colleges have disbursed \$59.1 million in Federal Pell Grants this academic year, an increase of 59 percent in 1 year, to more than 21,000 students, an increase of 34 percent. More than 5,000 of these Pell recipients were unemployed or had a spouse who was unemployed; and 13 percent of the dependent student recipients reported at least one parent was unemployed.

FEDERAL STUDENT SUPPORT SERVICES AND INSTITUTIONAL AID

In addition to the Federal student aid and student support services (such as TRIO and GEAR UP), community colleges strongly support funding for institutional aid under titles III and V of the Higher Education Act (HEA). Two point fifty-five billion dollars of additional funding is provided for minority-serving institutions (MSIs) over the next decade in the recent budget reconciliation legislation. AACC continues to support funding for the MSIs and advocates for additional resources for the strengthening institutions program. Strengthening institutions, contained in title III-A of the HEA, tends to be overshadowed by other institutional aid programs, but is an extremely effective program that benefits from healthy competition each year.

PERKINS CAREER AND TECHNICAL EDUCATION PROGRAMS

Perkins Career and Technical Education (CTE) programs are the largest Federal source of institutional support for community colleges, helping them to improve all aspects of cutting-edge career and technical education programs. In his fiscal year 2011 budget, President Obama proposed the consolidation of the tech prep program into the basic state grants and level funding of Perkins CTE. AACC supports the preservation of the tech prep program and increasing total funding to \$1.4 billion for the Perkins CTE programs.

CAREER PATHWAYS INNOVATION FUND

AACC urges the subcommittee to continue to fund the Career Pathways Innovation Fund. This program, formerly the Community-Based Job Training Grants (CBJTG), serves a vital need by expanding the capacity of community colleges to train workers for jobs in high-demand, high-growth industries. Since its inception in fiscal year 2005, this program has brought together community colleges, local businesses, and Federal workforce investment boards to prepare workers for employment in industries such as healthcare, advanced manufacturing, and technology. While the administration's budget proposed eliminating the program because it duplicated the proposed American Graduation Initiative (AGI), AGI was not enacted and the resources provided by this program, which provides both immediate training and some funding for longer-term program development, are sorely needed. AACC strongly supports the continuation of this program with at least \$125 million in fiscal year 2011.

Connecticut is the only State in the Nation to receive awards in all four rounds of the CBJTG program. Credit certificate programs combine academic and technical skills with occupational specialty courses developed with input from each industry to ensure relevance to employer needs. The most recent grant focuses on energy efficiency and conservation to advance Connecticut's Energy Vision, which mandates that, by 2020, at least 20 percent of Connecticut's power will be supplied by renewable sources.

Grant funded initiatives have increased the number of students succeeding at the college level and entering growing fields of employment in the State. Connecticut Department of Labor data indicate that earnings for students in targeted degree programs served by two of the grants (nursing, respiratory care, physical therapy assistant, radiologic technician, and medical assistant) increased from \$23,626 in 2005 to \$57,740 in 2008—a 144 percent increase.

CONCLUSION

Numerous studies show that there is a strong positive correlation between educational attainment and income. The average community college graduate earns about \$7,000 more each year than someone who has only a high school education. The “middle skills” jobs for which community colleges provide preparation are expected to grow robustly over the next decade.

Investments in education jobs provide both short-term and long-term benefits by preserving faculty jobs, expanding education and training opportunities at the post-secondary level, and helping Americans attain the postsecondary degrees and credentials that will drive our future economy.

Thank you, Mr. Chairman and members of the subcommittee, for this opportunity to speak with you today.

Senator HARKIN. Thank you, Mr. Herzog. Thank you all very much for your eloquent statements.

I think it is worth noting that we just heard from a teacher from Iowa; a superintendent from the second-largest school district in the United States, Los Angeles; a State school chief from Alabama; and a community college chancellor from Connecticut. You basically all said the same thing.

The jobs crisis in education is real. This is not something “maybe if.” It is happening right now, and it is real. And it is not just a problem in one State or one area. It is a problem nationally.

Now, let me get to one point rapidly that came up earlier, and it will come up again. The bill that I am putting in today is deemed an emergency bill, which means it is not offset by spending cuts someplace else. We are in an economic mess right now.

Some people have said, wait a minute, you are going to borrow from our kids and our grandkids to pay for this now? That shouldn't be. We are borrowing too much from our kids and grandkids.

Well, quite frankly, I agree we are borrowing too much from our kids and grandkids. We have a terrible deficit problem, debt problem—debt and deficit problem. But it seems to me this is targeted only for education. How can you argue on the one hand that it is okay for a kid to borrow to go to college, but it is not all right to borrow to make sure that there is a college for the kid to go to? That there are teachers in our high schools and in our grade schools to prepare these kids for the future?

It seems to me if there is one legitimate area where we can borrow from the future, it is in education. Because what kind of jobs will my grandkids and great-grandkids have if we don't have a well-educated group of young people today who will be providing the leadership and the technology and the innovations and the job creations and the business leadership that will provide those jobs in the future?

So you can argue about borrowing from the future for this or that. There are a lot of legitimate arguments on that. Some of it I don't care much about either. But in this one area, it seems to me this is legitimate. To ask our unborn in the future to help pay for the education of their—of what will be their grandparents and great-grandparents today so that they will have a better future then.

So I wanted to get to that because if we are going to get bogged down in taking money from here and there, and we are all in this mess right now, an economic mess. We will be here for the next 2 years, 5 years debating that.

We have a real cliff problem right now. And as I said, it is happening. You testified it is happening. Pink slips are going out now. It is April, May. That is when the decisions are being made. We don't have the luxury of waiting—well, maybe this fall we will get to it. That is too late. Or next winter. That is too late.

This is a real crisis that we have, and that is why I appreciate your sort of bringing this to a head from all different sectors—large, small, community colleges, chief State school officers all over this country—because it is a national problem.

And I must as, as the chairman of this subcommittee and the chairman of the education authorizing committee, there is not enough being said about this nationally. It is sort of like it is there. We know it is going to happen and it is happening, but there is not much focus on that in the national press.

I will tell you when the focus will happen. If we don't do anything and we wind up next fall, and all of a sudden classes are cut, school years are being decimated, and teachers are sent home when we don't have enough bus drivers to get our kids in rural Iowa to the schools because they had to lay off the bus drivers. When we have had to cut back maybe on school lunch programs because we can't hire the cafeteria workers.

Oh, yes. You will get a lot of publicity then, folks. There will be a lot in the press, a lot on TV. And where was Congress? Where were we? Asleep at the switch?

Well, we can't just respond to something simply because it is popular in the press right now. I think one of our obligations as elected officials is to anticipate, think about what we have to do now to keep from having these bad things happen down the road.

Well, I have got 38 seconds left to ask a question. I guess, if anything, I would again ask you all just any general comments you have on who is going to be laid off and what you see out there if we don't act now? If you just have any response to that at all? You have kind of covered it, but if you have any specific things that you didn't mention in your testimony.

Mr. Cortines.

Mr. CORTINES. No, I think we do have to look at all, and you have covered that. And even though I represent a very large, urban system, when you say "all," that means rural America also. That means the mid-size also.

And it does mean not just teachers and administrators, it means custodians and cafeteria workers and secretaries. It takes all of those wraparound services to make for a good comprehensive educational environment.

Senator HARKIN. Mr. Bern.

Mr. BERN. And I would just add it is happening all over the State. I mean, we have teachers living in fear, not knowing whether they are going to have a job—not just teachers, support workers, bus drivers, cooks, secretaries, and everyone is living in fear right now because they don't know.

Our legislature did pass a budget just recently, but before that, we had superintendents planning for the worst-case scenarios. And in Des Moines, they were talking about 300 job cuts. Thankfully, our legislature found some money, and so things aren't going to be quite as bad. But the Des Moines school system just passed a budg-

et last night, and they are going to be cutting 171 positions. So help is desperately needed.

Senator HARKIN. When you said for our entire State, you mentioned 1,500?

Mr. BERN. That is our estimate right now, 1,500 positions.

Senator HARKIN. Dr. Morton.

Dr. MORTON. I would just point out one thing. And I look at a jobs bill as an investment, and I know people worry about their 401(k)'s and their retirement. I think people in this Nation ought to worry about the dropout rate and who is going to work and are they going to be able to work?

And with this jobs bill, we will have teachers that could stay on the job and work with young people to keep them in school. And if you look at the Alliance for Excellent Education, they have a model for every State, and what would be saved and what would be added back to the economy of that State if we could reduce our dropout rate and increase our high school graduation rate so they could go on to a community college or a 4-year college and get a job and be a productive citizen.

And we know just from their information that if we could reduce the dropout rate by half in the 50 largest cities in America, it would increase the increased earnings per year by \$4 billion, and that is just in 50 cities. So think of the Nation and what could happen with this investment, and that is the way I look at it, as an investment.

Senator HARKIN. Very good.

Mr. HERZOG. Senator, in our system, we have already lost 177 people this year. The kinds of services that you lose are hours of access to a college library, laboratories, all of those academic instructional support services that students need.

At the same time, where access to community colleges has never been greater, our goal is to have success at our colleges. And the very people that we need to support students are the very people that will go.

Senator HARKIN. Thank you all very much.

I will go to my good friend, Senator Shelby.

Senator SHELBY. Thank you, Mr. Chairman.

I think it is very important, and you have done this, you have focused, among other things, on the loss of teachers and support and so forth. That is important. But we should never, never lose focus on the student. Of course, it is related to that, and nobody knows that better than the four of you.

But because what do we care about? We care about everybody, but we care about that student getting a quality education to be ready for the workforce. And they are not going to get there on their own, and I think you are pointing that out.

Dr. Morton, one of your initiatives, and I mentioned it earlier, and you got a lot of credit, and rightfully so, for it is the Alabama Math, Science, and Technology Initiative. And in light of our Nation, not just our State, but the whole Nation's need to stay competitive with other countries and try to be a world leader in math, science, and high biotech-related industries and research, what was your reaction to the Race to the Top application from the Depart-

ment of Education and, my understanding, allocation of 15 out of 500 points to that topic?

That seems to be low and is troubling to me, 15 out of 500 points—

Dr. MORTON. Senator Shelby—

Senator SHELBY [continuing]. Which will drive the industry and the Nation and the world in the future.

Dr. MORTON. Our whole initiative was built on the fact that we think that America and Alabama students, their future is in math and science and technology.

Senator SHELBY. Absolutely.

Dr. MORTON. We know that President Obama campaigned on it. And I, quite frankly, was stunned when I opened the criteria for Race to the Top and had been—we had invested a lot of money and effort, and we are not going to back away from that investment. I think it is the right investment.

Senator SHELBY. You can't.

Dr. MORTON. We got Huntsville, and we got UAB in Birmingham and Mobile, and we are going to stay behind that investment. But I was stunned and disappointed to find that out of 500 possible points for Race to the Top, only 15 points, 3 percent of the whole application dealt with science, technology, engineering, and mathematics, the STEM.

I don't get—there is a disconnect there I don't—

Senator SHELBY. Absolutely. And it seems like it is upside down. This needs to be changed.

Dr. MORTON. It did not open the door for America to walk through and not be 20th or 25th in the world in 14-year-old math and science scores. If we are going to be number one, we have got to invest in engineering, mathematics, technology, biotech.

And Race to the Top, \$4.3 billion, allotted 3 percent, 15 out of 500 points to that topic. I was very disappointed.

Senator SHELBY. I think it was a flawed program. You do, too, that it was?

Thank you. Thank you, Mr. Chairman.

Senator HARKIN. Very interesting.

Dr. MORTON. Yes, sir. I would—

Senator HARKIN. You learn something new every day around here.

Dr. MORTON. I think our Nation would be honored if someone would kind of look into that.

Senator HARKIN. Well, I think we will look into that.

Dr. MORTON. Thank you.

Senator HARKIN. Okay. Let me get that. Five hundred points, and only 15—

Dr. MORTON. Three percent are on STEM—science, technology, engineering, and mathematics education.

Senator HARKIN. Hmmm.

Senator SHELBY. Mr. Chairman, I wish you, as chairman of this subcommittee, would look into this, and I think you will have a lot of support on both sides of the aisle, Democrats and Republicans.

Senator HARKIN. Well, Dick, let us work together. Let us find out. That doesn't sound—this shouldn't be. It should be higher.

Senator SHELBY. That is the way it is set out, isn't it?

Dr. MORTON. Yes, sir. That is the way the criteria break out.
 Senator SHELBY. Thank you.

ADDITIONAL COMMITTEE QUESTIONS

Senator HARKIN. Well, thank you. Thank the panel. Thank you all very much, and we will do everything possible and ask for your continued involvement and help in this effort.

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

QUESTIONS SUBMITTED TO HON. ARNE DUNCAN

QUESTIONS SUBMITTED BY SENATOR MARY L. LANDRIEU

RACE TO THE TOP

Question. The administration has requested \$1.35 billion to extend the Race to the Top competition. In the first round of this year's competition, you selected only the States that demonstrated exceptionally high levels of statewide support from superintendents, school board presidents, teachers' unions, and charter schools. As you are well aware, real reform too often encounters resistance from some teachers' associations and school boards. Proven results are often the only meaningful way to convince the doubters. Therefore, I believe that supporting real reformers is a smarter strategy, whether or not the reform plan has near unanimous stakeholder buy-in.

Also, there has been some discussion about the Race to the Top scoring process. For example, six first-round finalist applications—including the application from my home State of Louisiana—saw a particularly wide gap between their highest and lowest scores. According to a recent report by The New Teacher Project, throwing out the highest and lowest scores of each State application would have dramatically changed the rankings for applications from finalist States like Louisiana and Georgia. Some have suggested that a broader range of reviewers could help to dampen the impact that only one negative review would have. Others have suggested clarifying whether the criteria are objective or comparative.

As you approach Round Two of the Race to the Top and as we consider funding an additional \$1.35 billion for next year, how might you change the evaluation criteria to support bold reform and ensure a fair scoring process?

Answer. While I understand your concern about the potential for tradeoffs between, on the one hand, proposing serious reforms and, on the other, gaining stakeholder support, we believe that States should make every effort to both craft ambitious reforms and engage affected stakeholders and leaders in making the reforms a reality. We do not believe that ambitious reform and stakeholder support are mutually exclusive. It is important to note that, while the two phase 1 winners, Delaware and Tennessee, did have high levels of stakeholder support, this buy-in did not soften their reform efforts. It is also worth noting that a number of highly rated phase 1 States that fell just short of winning phase 1 awards had strong conditions and plans for reform with lower levels of stakeholder support. The message, I hope, is that we are not in favor of weakening reforms in order to strengthen stakeholder support; however, we do acknowledge that on-the-ground reforms in education, to be successful, require the active participation of school leaders, teachers, and other stakeholders. The Race to the Top criteria and scoring system are designed to incent and reward programs that are ambitious yet achievable.

Regarding your concern about a single reviewer on a panel affecting the competition's outcome, I would observe that any diversity of opinions among reviewers was the product of a rigorous review process:

- Each of the 58 reviewers was carefully chosen for his or her expertise from a pool of approximately 1,500 applicants.
- For tier 1, each reviewer spent roughly 30 hours reading each application, and then discussed each application in detail with his or her panel. To facilitate these discussions, we provided each panel with a measure of the variation between individual reviewers' scores for each criterion on that application. This allowed reviewers to quickly identify and focus their discussions on differences in scores, and to ensure that those differences were based not on misunderstandings of the criteria, but on legitimate disagreements as to the quality of the State's responses.

—For finalist States, reviewers had three additional opportunities to discuss the applications: (1) the panels met to discuss the questions they would ask of States during the Q&A session; (2) reviewers asked questions of the State to clarify or validate their scores and comments; and (3) following the State’s presentation and Q&A session, the panels met a final time.

We believe that if, after going through such a rigorous process, one of these carefully selected experts believed that an application deserved a relatively higher or lower score than other reviewers on the panel believed it deserved, that professional opinion should not be ignored by the Department. Discounting the diversity in reviewer opinions or scores could exclude meaningful information that was the product of a thorough review process. To ignore or eliminate such information would be counterproductive to our goal of funding the highest-quality applications. Please also understand that, even if we had thrown out the highest and lowest scores in the phase 1 competition, Delaware and Tennessee would have still been the two top-scoring applications. Thus, taking that step would likely not have affected the outcome of the competition.

Having said that, I agree that we might increase inter-reviewer reliability by improving our peer reviewer training. In phase 1 of the competition, we had no exemplar applications because the competition was brand new—thus, we could not “anchor” reviewers’ understandings in any common activities. Using the information we gained during phase 1, we plan to expand our reviewer training for phase 2 to include workshops in which reviewers read and discuss sample responses, practice the “panel review” process, and develop a deeper understanding of the criteria and scoring rubric. We expect these actions to improve the overall quality of both scoring and commenting.

Finally, we are in the early stages of thinking about the criteria for a phase 3 of Race to the Top. We will work hard to ensure that all aspects of a phase 3, from the criteria to the reviewer training, are deeply informed by what is working, and what is not working as well, in Race to the Top and other Department programs.

TEACHER AND LEADER PATHWAYS PROGRAM

Question. In the budget, you have proposed to consolidate a number of existing education funding streams into a few competitive programs. One program affected by this consolidation of funding streams is Teach for America, the national program that recruits outstanding college graduates to teach for 2 years in underserved schools. This program has been incredibly successful all over the country, particularly in my home State of Louisiana where we now have 608 corps members in 148 schools reaching 38,500 low-income students.

Right now, because of the enormous increase in applications that Teach for America is experiencing, it has the opportunity to double in size, but doing so will require a reliable funding stream. The timing of the proposed grant competition would not allow Teach for America to grow in 2011 or 2012—and they would be forced to reduce the size of the incoming corps.

How do you propose to bridge this funding gap so that Teach for America can continue to grow and place effective teachers in the schools where they are needed the most during this upcoming school year?

Answer. I share your admiration for the important role that Teach for America plays—as well as other alternative pathways to teaching programs—in helping high-need districts recruit candidates to teach in high-need schools. During the 2008–2009 school year, the last year of my tenure in Chicago, 248 Teach for America corps members were teaching in the Chicago Public School System and helping to raise the achievement and improve the lives of more than 25,000 students. The 2010 appropriation of \$18 million for Teach for America represents an increase of more than 20 percent above the funding it received in 2009 under the Fund for the Improvement of Education. The Department expects to receive an application for these funds from Teach for America shortly and anticipates that it will be able to award the grant 4 to 6 weeks later.

For 2011, the administration has requested \$405 million for a new Teacher and Leader Pathways program that would allow States and districts to create or expand teacher and leader preparation programs, including alternative routes to teaching like Teach for America. This creates an opportunity for Teach for America and other organizations committed to recruiting and supporting exceptional teachers to partner with States and districts to compete for significantly more funding than is currently available to them under the current system of smaller, often narrowly targeted programs. We recognize that a significant change like this creates uncertainty, but the Administration is committed to working with the Congress, States, districts, and other stakeholders, including Teach for America, to ensure that the implemen-

tation of this new program supports and enhances their efforts to improve education.

Investing in Innovation Program and Support for Teach for America

Organizations like Teach for America are also eligible to compete for funding under the Investing in Innovation program, which supports the development and expansion of innovative practices to improve student achievement and close achievement gaps. Applications for the 2010 competition were due on May 12, 2010. The administration has also requested \$500 million for this program in 2011 to support another round of awards for exceptional, innovative programs. In addition, States may use funds received under the Race to the Top and under the proposed Effective Teachers and Leaders State grants program to support Teach for America projects.

TEACHER AND LEADER INNOVATION FUND

Question. The administration's request includes \$950 million for the new Teacher and Leader Innovation Fund. How does the administration plan to encourage these States and LEAs to develop and use innovative teacher compensation systems under the proposed Elementary and Secondary Act (ESEA) reauthorization?

Answer. The Teacher and Leader Innovation Fund would provide support for State and LEA efforts to develop and implement innovative approaches to human capital systems. It would support compensation reforms and complementary reforms of teacher and principal development and evaluation, teacher placement, and other practices. Grantees, selected competitively, would use program funds to reform teacher and school leader compensation and career advancement systems, improve the use of evaluation results for retention and compensation decisions, and implement other innovations to strengthen the workforce.

TEACHER INCENTIVE FUND

Question. How will the Teacher and Leader Innovation Fund work should it not be reauthorized?

Answer. If authorized, the Teacher and Leader Innovation Fund would build on the strengths of the Teacher Incentive Fund (TIF). If Congress does not reauthorize the ESEA in time to govern the fiscal year 2011 appropriation, the administration believes its requested increase for ESEA programs should be devoted to existing programs best positioned to reform K–12 education, such as the TIF, and would seek funding of \$800 million for this program, \$400 million more than the fiscal year 2010 appropriation, for continuation grant costs and approximately 100 new awards.

CHARTER SCHOOLS—EXPANDING EDUCATIONAL OPTIONS PROGRAM

Question. I was pleased to see that your budget request follows on President Obama's promise to increase support for charter schools. Your request includes a \$54 million increase for Charter Schools Grants, even if ESEA is not reauthorized this year. Could you talk about how the administration plans to address the challenges charter schools face in securing facilities funding?

Answer. The administration is proposing a new program that would replace current ESEA programs that support choice-based models of school reform as well as family outreach. The Expanding Educational Options program would include two separate grant competitions: (1) Supporting Effective Charter Schools Grants; and (2) Promoting Public School Choice Grants. Under the Supporting Effective Charter Schools Grants competition, State educational agencies, charter school authorizers, charter support organizations, charter management organizations, and other non-profit organizations in partnership with LEAs would be eligible to apply for competitive grants to start or expand effective public charter schools and other effective autonomous public schools. The Department would work to ensure the creation of quality schools by selecting applicants based on their record of success in supporting, overseeing, or operating (depending on the type of grantee) effective charter and other autonomous schools, including their record of closing ineffective charter and other autonomous schools, as appropriate, and their commitment to starting schools that would expand options for students attending low-performing schools. In addition, the Department would give priority to applicants proposing to create or expand effective public charter schools.

As part of this strategy, we believe it is crucial to continue to support State and local efforts to ensure that charter schools have adequate facilities. We are proposing in reauthorization that, rather than renew various separate programs for charter facilities, Congress allows a portion of funds (no more than 10 percent) from the Supporting Effective Charter Schools Grants program to be used to award

grants to those programs that most effectively leverage Federal dollars to support charter school facilities. This could result in new funding for credit enhancement programs as well as other programs that support charter school facilities.

Charter Schools Facilities Programs

The fiscal year 2010 appropriations act permitted the Department to use a total of \$23,082,000 (from the appropriation for the Charter Schools Program) to continue the State Charter Schools Facilities Incentive program and the Credit Enhancement for Charter School Facilities program. From that amount, the Department intends to use \$14,782,000 to make second-year continuation grants under the State Charter School Facilities Incentive program and \$8,300,000 for Credit Enhancement for Charter Facilities program. The Department's proposed reauthorization also includes language that would ensure the continued funding of Facilities Incentive Grants to States made in fiscal year 2009 for the remainder of their award period.

Under the administration's fiscal year 2011 request for the Expanding Educational Options program, approximately \$298,000,000 would be available for new charter schools awards and approximately \$102,000,000 would be available for the continuation of multi-year charter schools awards made before reauthorization. At least \$14,782,000 of that amount would be available for State Charter School Facilities grants and up to \$40,000,000 in new awards could be available for programs that also support charter school facilities.

QUESTIONS SUBMITTED BY SENATOR JACK REED

LEVERAGING EDUCATIONAL ASSISTANCE PARTNERSHIP (LEAP) PROGRAM

Question. I have long worked to improve and fund the LEAP program. As such, I was disappointed that the President's fiscal year 2011 budget eliminated funding for LEAP.

Particularly during this economic downturn, why would the administration propose to eliminate critical need-based aid for low-income students—a program that leverages millions of dollars in need-based grant aid on the State level, and indeed the only program that serves to maintain a State role in providing such need-based grant aid?

While we both are pleased that significant increases to Pell Grants were included in the recent student loan reform law, we still have a ways to go in meeting the financial need of students. Do you agree that we must leverage the ability of States, institutions, businesses, and philanthropic organizations to partner together and provide necessary aid and support for students and that the Federal Government cannot be the only player at the table when it comes to student aid and support?

Answer. While providing critical need-based aid remains a priority to the administration, LEAP funding was not requested for fiscal year 2011 because it was clear States have committed to sustaining their financial support for students. Since its authorization, LEAP has helped to increase State participation, both in terms of the number of States providing this aid and in the amounts they provide students. For example, in academic year 2006–2007, estimated State matching funds totaled nearly \$1 billion. This is more than \$950 million more than the level generated by LEAP's dollar-for-dollar match, and far more than would be required even under the 2-for-1 match under Special LEAP. This suggests a considerable level of State commitment, regardless of Federal expenditures, which is not expected to diminish absent LEAP program funding. In place of directing funds to LEAP, the administration believes in investing these limited resources in other need-based aid programs, including increasing the maximum Pell Grant award and providing \$750 million to encourage greater college access through State and community innovation in the College Access Challenge Grants program.

COLLEGE ACCESS CHALLENGE GRANTS (CACG)

Question. While you may offer CACG as an alternative source (to LEAP), how do you reconcile the fact that providing need-based grant aid is just one of many optional activities for State nonprofits in CACG and, as such, the Department's report from last year shows that only 9 of 50 States used CACG funding for need-based grant aid?

Answer. While LEAP has been able to supply need-based grant aid specifically, CACGs provide more opportunity for participation by charitable and philanthropic organizations, as well as State and local governments to aid in the CACG work done by a State, including through providing financial resources to students. The program includes a match requirement of one-third of the cost of the activities which

may come from philanthropic or other sources, incentivizing increased investment and collaboration. The recently passed Student Aid and Fiscal Responsibility Act (SAFRA) authorizes additional funds for the CACGs program, totaling \$150 million per year through fiscal year 2014, providing a huge opportunity to develop promising new practices and create a data-driven approach for delivering on a college access strategy. The legislation also provides for an increased minimum award, such that nearly 20 States will see a quadrupling of their grant awards. This will allow for both increased State as well as nonprofit participation, and gives States more opportunity to be sources of need-based grant aid for students.

SCHOOL LIBRARIES

Question. As you know, the Department's own evaluation of the Improving Literacy Through School Libraries program, released last year, found that it has been successful. For instance, the evaluation, which includes a discussion of the research showing the impact of improving school libraries on student achievement, found among other things that the program has improved the quality of the disadvantaged school libraries receiving the grants, as well as increased collaboration and coordination among teachers and school librarians on curriculum and related matters. Do you think the Federal Government should support initiatives that research has shown to be effective? And, if so, why does your budget seek to consolidate funding for a number of programs shown to be effective by the Department of Education's own evaluations, such as the Improving Literacy Through School Libraries program?

Answer. The Department takes the findings of each evaluation seriously and believes that we should learn from promising practices and try to build on them. However, the evaluation report you mention also stated that some or all of the score increase may be associated with other school reform efforts. Consequently, the report concluded that no definitive statement could be made about the effect of participation in the program on reading assessment scores.

The administration is proposing to consolidate the Improving Literacy through School Libraries program in order to make more effective use of the funding for literacy. Federal literacy programs have historically taken a fragmented approach. The administration believes State and local efforts to improve literacy will be more coherent and more likely to drive dramatic improvements in student achievement if they have a comprehensive pre-K–12 focus. States and districts could use funds from this larger, comprehensive program to expand school or classroom library services. This could include increasing library collections, opening library facilities for longer hours, or providing professional development to school librarians.

GUIDANCE ON USE OF FEDERAL FUNDS TO SUPPORT LIBRARIES

Question. You have on occasion, including in a letter to me, expressed the importance of well-resourced school libraries. Indeed, such well-resourced and well-staffed school libraries play an essential and vibrant role in amplifying the learning that goes on in classrooms and providing students with the critical thinking skills to evaluate and use information and ultimately gain knowledge. As such, did you provide any specific guidance to schools regarding using ARRA or ESEA funding to support school libraries and school librarians?

Answer. In September 2009, the Department issued guidance entitled using title I, part A ARRA Funds for Grants to Local Educational Agencies to Strengthen Education, Drive Reform, and Improve Results for Students, which included information on how title I ARRA funds could be used to strengthen school libraries. This guidance specifies that "In a Title I school operating a school wide program, Title I, Part A ARRA funds may be used to purchase library books if using the funds for that purpose is consistent with needs identified in the comprehensive needs assessment and articulated in the school wide plan." It goes on to provide clarification about how local educational agencies (LEAs) should first leverage State and local resources and about schools operating a targeted assistance program. This guidance document also states that expanding title I reading and mathematics resources and libraries may be an activity that LEAs can carry out in meeting the requirement to provide equitable services to private school students.

EFFECTIVE TEACHING AND LEARNING: LITERACY PROGRAM

Question. How do you propose ensuring that investments in school libraries are made when evidence suggests that (1) libraries are among the first items cut from cash-strapped school budgets and (2) in the absence of a specific Federal investment, school libraries have languished, such as what occurred when the school library pro-

gram included in the original ESEA was eliminated during the Reagan administration?

Answer. The Effective Teaching and Learning: Literacy program would provide competitive State literacy grants to State educational agencies (SEAs), or SEAs in partnership with appropriate outside entities, in order to support State and local efforts aimed at implementing and supporting a comprehensive literacy strategy that provides high-quality literacy instruction and support to students. Local educational agencies could use their grant funds to expand their library collections, open their school libraries for longer hours, or provide professional development to school librarians. We believe that this would be the best approach to ensuring that school libraries and library services are supported as part of a comprehensive approach to improving student literacy.

TEACHER QUALITY PARTNERSHIP GRANTS

Question. Last Congress, I helped author provisions in title II of the Higher Education Opportunity Act—the Teacher Quality Partnership Grants (TQP) program—to reform college teacher preparation programs, where more than 85 percent of new teachers are prepared each year. The final bill that included these provisions had overwhelming support—it passed the Senate 83–8 and the House 380–49. Congress spent more than 5 years deliberatively crafting this program on a bipartisan and bicameral basis leading up to the reauthorization in 2008. The majority of the first grants through this program were just awarded earlier this month.

Yet the administration has proposed to eliminate this program even though there has been no opportunity to prove its effectiveness. We have heard for many years that college teacher preparation programs need to be reformed. However, by consolidating TQP with a number of non-college-based teacher certification programs, there will be no guarantee that college teacher preparation programs receive funding to actually undertake the reform we both acknowledge needs to occur.

How will eliminating the one guaranteed Federal source of funding for college teacher preparation programs help reform them in any systematic way?

Answer. I see the administration's proposal to consolidate smaller, narrowly targeted programs into a Teacher and Leader Pathways program in which institutions of higher education would partner with States and districts to compete for funding as a natural extension of the teacher preparation reforms enacted in the Higher Education Opportunity Act. Under the Teacher Quality Partnership Grant program, institutions of higher education, in partnership with high-need districts and schools, compete for grants to support model teacher preparation programs that are accountable for recruiting highly qualified candidates, including minorities and individuals from other occupations, and training them to be highly qualified teachers who are prepared to meet the needs of high-need schools and districts. In 2009, we awarded \$43 million in 28 grants to support pre-baccalaureate and/or teacher residency programs, with \$100 million in ARRA funds awarded in 2010 to support 12 additional grants. The 2011 request for the Teacher and Leader Pathways program would provide \$405 million to significantly expand the amount of funding available to States and districts to enable them to partner with college-based teacher preparation programs and other organizations to compete for funding to develop or expand efforts to recruit, train, and support teachers to teach in high-need schools or high-need subjects.

STRENGTHENING TEACHER PREPARATION PROGRAMS

Question. Doesn't the need for reform bolster the case instead for dedicated resources to strengthen these programs, from which 85–90 percent of teachers enter the field?

Answer. In speeches at the Curry School of Education at the University of Virginia and Teachers College at Columbia University, I have stressed the important role that colleges of education play in preparing the vast majority of individuals who become teachers and challenged them to reform their programs to make them accountable for producing teachers across subject areas who are prepared to help all students, regardless of race, national origin, disability, or ZIP code to reach their full potential. As teachers in the baby boom generation begin to retire, districts will need even more highly effective teachers from both traditional colleges of education and alternative routes to teaching. Any qualified organization or institution that is willing to partner with States and districts and be held accountable for preparing teachers who are able to increase student achievement and close achievement gaps should be able to compete for scarce Federal resources. Our proposed Teacher and Leader Pathways program is flexible about the path through which teachers are

prepared but firm about the results which grantees will be held accountable for producing.

TEACHER AND LEADER PATHWAYS PROGRAM

Question. Why propose to eliminate a program before its effectiveness has even been tested?

Answer. The administration's 2011 request for the Teacher and Leader Pathways program included \$57 million to continue support for the 28 grants that were awarded in 2009. As I mentioned in response to an earlier question, the administration's budget request would not eliminate funding for partnerships between institutions of higher education and districts to improve the quality of teacher preparation programs. Instead, it would consolidate these and other program authorities to create a larger pool of funds for which States and districts could compete for resources to support a broad range of activities and approaches tailored to the needs of their communities.

EVALUATION OF TEACHER QUALITY PARTNERSHIP GRANTS

The Department is committed to investing in rigorous research and evaluation on the effectiveness of various approaches to improving teacher quality. In 2010, the Institute of Education Sciences awarded a contract for an evaluation of the effectiveness of the teacher residency projects supported through the Teacher Quality Partnership Grant program, including 12 grants awarded in 2009 and 7 grants awarded in 2010 with funds appropriated under the ARRA. The results of this evaluation will help States and districts make informed decisions, while also providing valuable information to institutions of higher education and other teacher residency programs to help them refine and enhance their programs.

TEACHER PREPARATION

Question. Do you agree that teacher preparation programs should have rigorous clinical experiences, comprehensive induction and mentoring, and be closely partnered and aligned with local school districts?

Answer. Recent research suggests that pathways into teaching are more effective when they focus on the classroom and provide opportunities for teachers to study what they will be doing as first-year teachers. For example, teachers who came from programs in which they engaged in actual teaching practices, or engaged in a "capstone project"—often resulting in a portfolio of work produced in K–12 classrooms during the pre-service education component—were more likely to produce positive student achievement gains during their first year of teaching than were teachers who did not engage in these learning experiences. Under the administration's reauthorization proposal, individuals participating in the proposed Teacher Pathway program would receive intensive clinical experience and induction support, including high-quality mentoring. In addition, the Teacher Pathways program would support teacher preparation activities that are aligned with the needs of local communities.

QUESTIONS SUBMITTED BY SENATOR MARK PRYOR

SCHOOL TURNAROUND GRANTS

Question. The Department's fiscal year 2011 budget request proposes \$900 million for a reauthorized School Turnaround Grants program intended to help States and local education agencies "turn around" the country's 5,000 lowest performing schools over the next 5 years. The Department's Blueprint for Elementary and Secondary Education Act reauthorization outlines four models including a school closure model, a restart model, a turnaround model, and a "transformation model" in which the principal is replaced, staff are strengthened, and extended learning time is provided, among other reforms. For rural areas, these models pose a challenge. I'm concerned that some of the proposed reforms may not be optimal for Arkansas—especially with respect to laying off one-half of the school staff or shutting down the school and reopening it.

Mr. Secretary, how will you ensure rural districts have flexibility in school improvement through the proposed four models under the school turnaround grants program you have proposed?

Answer. We recognize that rural school districts face unique challenges and require flexibility to develop and implement effective plans for turning around their persistently lowest-achieving schools. In particular, some rural schools may have difficulty providing access to a well-rounded education, recruiting and retaining ef-

fective teachers, and serving high concentrations of poor students. At the same time, we know that all children can learn with the appropriate support, and the School Turnaround Grant program was designed to help all districts and schools, including those in rural areas, provide that support. The transformation model, in particular, was developed with input from stakeholders from rural communities, to make sure that these communities have the ability to turn around their struggling schools. This model gives rural districts an option that can work for them and that can deliver dramatic change students need.

PROGRAM CONSOLIDATIONS

Question. In the Department's budget proposal, many K–12 programs are consolidated into fewer, broader programs aimed at meeting targeted goals. Arkansans have benefited from several worthy programs, such as Teach for America, Javits, and Literacy Through School Libraries, that have been consolidated.

How will these larger programs meet the needs many of the smaller programs targeted?

Answer. In most cases, the larger, consolidated programs we are proposing through reauthorization are flexible enough to continue supporting high-quality projects that carry out activities in the specific areas you mention. Our goal in consolidating multiple current authorities is not to eliminate support for worthy reforms and activities, but to focus effort in a few critical areas, build an evidence base of what works through rigorous program evaluations, and help us lead the field by directing funding and attention to scaling up the best ideas.

Question. How do you envision funding should be structured to meet the overall goals of these consolidated programs?

Answer. The President's budget includes a proposed structure for funding activities within broader, more comprehensive authorities contained in our reauthorization plan. We believe these broader authorities will provide States and districts the flexibility to focus on their specific needs, enable the Department to build an evidence base of what works through rigorous program evaluations, and help us lead the field by directing funding and attention to scaling up the best ideas.

QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

PROGRAM CONSOLIDATION PROPOSAL AND PROSPECTIVE APPLICANTS

Question. The Department of Education's fiscal year 2011 budget proposes authorizing legislation which would consolidate a number of existing programs, including the National Writing Project, into 11 new programs. Under your consolidation proposal, could you identify the types of organizations that you anticipate will compete for grants, including organizations that receive grants under the existing programs?

Answer. The eligible entities will vary by program and it is difficult to speculate which organizations might choose to apply for competitions that have not yet been announced. An organization such as the National Writing Project would be encouraged to partner with States or districts in order to further the implementation of comprehensive literacy plans under the Effective Teaching and Learning: Literacy program.

NATIONAL WRITING PROJECT

Question. As the Department of Education's budget appears to direct funding to States and localities, how would national nonprofit organizations, such as the National Writing Project, be able to compete for funding?

Answer. Eligible entities vary by program. National nonprofit organizations would still be eligible for funding in programs such as Investing in Innovation and national activities competitions within Effective Teaching and Learning for a Complete Education. The National Writing Project could participate in these competitions or partner with States and districts in order to further the implementation of comprehensive literacy plans.

GEOGRAPHIC EDUCATION

Question. As geographic literacy will be critical for our Nation's students to compete in a global economy, does the Department of Education's fiscal year 2011 budget proposal to create a new Effective Teaching and Learning for a Well-Rounded Education program do enough to ensure that funding is committed to geographic education activities?

Answer. The administration agrees that geography is an important subject that our students should study as part of a complete education. Our proposal for Effective Teaching and Learning for a Well-Rounded Education would provide support for geography, as well as other subjects, through the identification, development, implementation, and replication of evidence-based programs, strategies, and practices. Under the current ESEA, geography is listed as one of the core academic subjects but ESEA funding has not been used to strengthen geography education unless States or districts have elected to use some of their formula funds for that purpose. By making geography one of the subjects that could be supported directly with grants from the Effective Teaching for a Well-Rounded Education program, we believe that our proposal would make geography a more prominent focus in the reauthorized law and make it more likely that projects supporting geography education will be funded.

Question. What assurances can the Department of Education make to ensure that under this new program funding would be directed to geographic literacy activities?

Answer. Under our reauthorization proposal, the Department could designate specific subjects to be supported in a particular year, or could hold a broad competition through which eligible entities could apply to carry out projects in any of the subjects covered by the program (the arts, foreign languages, civics and government, geography, environmental education, and economics and financial literacy). The Department could also support interdisciplinary projects cutting across a number of those projects. The amount of funding used to support geography would depend on the amount of the annual appropriation, the requirements and priorities announced by the Department, and the quality of applications received.

CAREER AND TECHNICAL EDUCATION

Question. The Carl D. Perkins Career and Technical Education Act is the primary program in the Department of Education that supports preparing students for their future careers, a key element of the new focus on college and career readiness. What role do you see career and technical education playing in helping students become career and college ready?

Answer. Career and Technical Education (CTE) programs represent one of the many pathways available to students to help them become college and career ready. These programs provide instruction that integrates both academic rigor and career and technical skills. In addition, the statutory requirement that States offer “programs of study” should enhance the capacity of CTE programs to prepare students for career and college. Programs of study are coherent sequences of nonduplicative CTE courses that progress from the secondary to the postsecondary level, include rigorous and challenging academic content along with career and technical content, and lead to an industry-recognized credential or certificate at the postsecondary level or to an associate or baccalaureate degree. They may also incorporate a dual-enrollment component, where a student takes postsecondary coursework while still in high school and accrues postsecondary credits while doing so. High school students who have completed programs of study are not only likely to graduate college and career ready, but they also have already taken foundational courses in a specific career area and are ready for more advanced coursework at the postsecondary level in the same career area.

REACH OF CTE PROGRAMS AND STEPS TO IMPROVE CTE PROGRAMS

Question. How can programs continue to expand and improve to serve more students under the Department of Education’s fiscal year 2011 budget proposal?

Answer. Career and technical education programs already serve most high school students in this country. According to an April 2009 National Center for Education Statistics report, 97 percent of all 2005 public high school graduates had earned CTE credits. In terms of improving programs, the requirement that States offer programs of study as part of their CTE programs holds great promise. State and local recipients of Perkins funds must create at least one program of study for their students. A program of study must be specific to a career field and integrate academic and technical content in a coherent manner. It must also clearly specify the progression of coursework a student should follow at the secondary level and the coursework a student would pursue at the postsecondary level to eventually attain a credential or degree in that career area. In addition, the courses must not be duplicative. Thus, this approach should not only ensure that CTE students are attaining both academic and technical content, but that they do not need to repeat coursework during their postsecondary studies. In addition, it lets students know exactly what they need to do attain a credential, certificate, or degree in a specific

area. The Department has provided guidance and technical assistance to States in order to help them develop rigorous high-quality programs of study.

21ST CENTURY COMMUNITY LEARNING CENTERS

Question. How would the process of awarding grants occur under the Department of Education's fiscal year 2011 budget proposal to make 21st Century Community Learning Centers (21stCCLC) grants competitive?

Answer. As for any other competitive grant competition, the Department would set evaluation criteria and prepare application requirements and criteria to which eligible entities would have to respond to be considered for a grant. Assuming that the fiscal year 2011 appropriation for the 21st CCLC program adopts the administration's proposal and continues to be multiyear funds, the 21st CCLC grants would be competitively awarded to States during fiscal year 2012.

Question. How many States do you anticipate would receive 21stCCLC awards in fiscal year 2011?

Answer. The Department has not established an estimated number of awards. We would fund as many high-quality applications as possible with the amount Congress appropriates for the program.

Question. As under the current 21stCCLC formula grant structure where all States are guaranteed to receive a share of funding, will small States, such as Mississippi, be able to effectively compete against large States for these awards?

Answer. Our experience indicates that small States can be as competitive as the larger States. For instance, most recently in the Race to the Top Phase 1 competition, one very small State (Delaware) and one medium-size State (Tennessee) were the two winners.

Question. How would States that do not receive a competitive award under this restructured program make up for the loss in Federal funding for the 21stCCLC?

Answer. States that do not receive 21stCCLC could consider ways that State funds and other Federal funding streams, such as title I or the Child Care Development Block Grant, can be used for activities that were supported by the 21st CCLC program. We would also strongly encourage States take steps to enable them to submit a high-quality application for a grant in future years.

PUBLIC TELEVISION CHILDREN'S PROGRAMMING

Question. The Department of Education's fiscal year 2011 budget proposes to consolidate funding for Ready To Learn (RTL), a program with a nearly 20-year proven record of using the power and reach of public television's children's programming to better prepare young children for success in school. This new "Effective Teachers and Learning: Literacy program," would appear to make direct RTL funding unavailable to public broadcasting and would negatively impact national distribution. At the same time, the Department has put out a Request for Proposals (RFP) for the program's fiscal year 2010 funding that calls for "transmedia storytelling" projects, rather than television-focused projects. What assurances can you give that the Department will continue its nearly 20-year partnership with public television?

Answer. From the amount requested for the Effective Teaching and Learning for a Complete Education programs, the administration would reserve funds to support a range of national activities. Public telecommunications entities—such as the Public Broadcasting Service (PBS) and the Corporation for Public Broadcasting (CPB)—would be encouraged to compete for such national activities funding to create high-quality, educational content for children. It is important to recognize that even if neither PBS nor CPB were to submit a winning application in response to the 2010 competition, the Department's partnership with public television would still remain healthy because the majority of funds available to support this activity would very likely end up going to support applications from one or more of the many PBS-affiliate stations, which currently develop and produce much of the original children's educational programming content that is distributed over public television.

READY TO LEARN

Question. Will Ready to Learn have the same impact, reach and success if carriage on television is phased-out or minimized?

Answer. The Department envisions that the impact, reach, and success of Ready to Learn could be augmented by taking steps to ensure that high-quality, educational programming content not only reaches and benefits the widest audience possible, but also to ensure that such materials are coordinated across a variety of media distribution platforms, including television. The Department does not envision that "carriage" or distribution of children's educational programming content using television will be phased-out or minimized. Instead, in the Request for Pro-

posals published in March 22, 2010, the Department “encourages applicants to deliver early learning content through the well-planned and coordinated use of multiple media platforms.” This well-planned and coordinated use of platforms necessarily includes television—but we believe that the potential educational benefits of children’s programming content can be greatly enhanced if television is not relied on as the sole distribution mechanism.

EARLY LEARNING CHALLENGE FUND

Question. The Department of Education’s fiscal year 2011 budget proposal does not request funds for a new Early Learning Challenge Fund since it was assumed that funding would be enacted and funded as part of the budget reconciliation act. Since funding did not come to bear in reconciliation, what are your plans for funding the Early Learning Challenge Fund?

Answer. Early learning remains a priority for the administration and we are considering ways that we can work with Congress to provide funds for the Early Learning Challenge Fund.

INCORPORATING EARLY LEARNING INTO FEDERAL EDUCATION PROGRAMS

Question. How do you intend to incorporate early learning into existing program authorities?

Answer. Early learning is a high priority for the Department. We are encouraging States and LEAs to use ESEA title I, part A funds to support high-quality early learning programs, and are continuing to support early learning services for students with disabilities through the IDEA parts B and C. We also will be working with States to implement the Striving Readers program; at least \$32 million of the \$250 million fiscal year 2010 appropriation for that program will be used to serve children from birth through age 5. In addition, \$10 million will be used to provide formula grants to States for the establishment or support of a State Literacy Team with expertise in literacy development and education for children from birth through grade 12.

It is also important to note that we are incorporating early learning into our reauthorization proposal for the ESEA. For example, the proposed Academic Excellence in Core Subjects programs would support State and local efforts to implement high-quality instruction in literacy, science, technology, engineering, and mathematics, and other subjects that are part of a well-rounded education. The Excellent Instructional Teams programs would also improve early learning programs by allowing the use of program funds to support teachers and leaders who serve children before kindergarten entry.

EDUCATIONAL TECHNOLOGY

Question. The Department of Education’s fiscal year 2011 budget proposal would eliminate the Enhancing Education Through Technology Program. While the budget proposal states that technology will be infused throughout programs, a State grant program that specifically provides funds for helping schools upgrade their technology needs and to integrate technology into instruction would not receive funding. How would the Department of Education’s fiscal year 2011 budget proposal ensure that funding is provided for these activities?

Answer. The administration proposes to support the integrated use of technology through the Effective Teaching and Learning for a Complete Education programs. The proposed new programs will include (1) Effective Teaching and Learning: Literacy; (2) Effective Teaching and Learning: Science, Technology, Engineering, and Mathematics (STEM); and (3) Effective Teaching and Learning for a Well-Rounded Education. For these three new programs, applicants that propose to use technology to address student learning challenges will be given priority.

The Department’s fiscal year 2011 budget request includes \$300 million for STEM education grants to be awarded on a competitive basis. Grantees will be required to use its funds to carry out activities to improve teaching and learning in mathematics or science and may also carry out activities to improve teaching and learning in technology or engineering.

In addition, the Department plans to emphasize using technology to drive improvements in educational quality through the reauthorized Investing in Innovation program. Under that proposal, the Secretary would be authorized to designate support for the effective use of education technology to improve teaching and learning as one of the priorities that applicants may address in their applications for competitive awards.

REPLICATING PROMISING PRACTICES AND STRATEGIES

Question. The Department of Education's fiscal year 2011 budget proposal places a strong emphasis on identifying promising practices and strategies that can be replicated in classrooms, schools, and districts. What will the Department of Education do to capture and disseminate this knowledge so educators and administrators across the country can use promising practices to improve classroom instruction, school leadership, academic performance for all students, and close historic achievement gaps?

Answer. The Department employs a wide range of grant and contract vehicles to ensure that classroom educators, school leaders, and State and district policymakers have the information they need to select promising practices and strategies that meet the needs of their students. Through the What Works Clearinghouse and the Education Resources Information Center, the Institute of Education Sciences makes research and evaluation studies available to both the research and practitioner communities in clear, concise formats that provide methodological and technical information on the strength of the evidence to support claims of effectiveness. The Department's technical assistance providers, including the Regional Educational Laboratories, the Comprehensive Centers, the Parental Information and Resource Centers, the Equity Assistance Centers, and Parent Information Centers, work with States, districts, schools, and parents to translate research and evaluation findings into practical strategies to improve student achievement. In addition, through the Technical Assistance and Dissemination program, the Office of Special Education Programs supports a network of grants providing technical assistance, dissemination, and model demonstration activities on a range of issues related to improving the education of students with disabilities. The Department is working to develop a comprehensive strategy that will leverage technical assistance and dissemination resources across programs and offices to coordinate the provision of services and foster the sharing of best practices and research information across programs and topic areas.

SUBCOMMITTEE RECESS

Senator HARKIN. Thank you very, very much. Thank you all.

[Whereupon, at 11:17 a.m., Wednesday, April 14, the subcommittee was recessed, to reconvene subject to the call of the Chair.]