

**THE BUDGET AND POLICY PROPOSALS OF  
THE U.S. DEPARTMENT OF EDUCATION**

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**HEARING**

BEFORE THE

COMMITTEE ON EDUCATION  
AND THE WORKFORCE

U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED TWELFTH CONGRESS

FIRST SESSION

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HEARING HELD IN WASHINGTON, DC, MARCH 9, 2011

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# **THE BUDGET AND POLICY PROPOSALS OF THE U.S. DEPARTMENT OF EDUCATION**

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**Wednesday, March 9, 2011  
U.S. House of Representatives  
Committee on Education and the Workforce  
Washington, DC**

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The committee met, pursuant to call, at 2:39 p.m., in room 2175, Rayburn House Office Building, Hon. John Kline [chairman of the committee] presiding.

Present: Representatives Kline, Petri, McKeon, Biggert, Platts, Foxx, Hunter, Roe, Thompson, Walberg, DesJarlais, Hanna, Bucshon, Gowdy, Barletta, Noem, Roby, Heck, Kelly, Miller, Kildee, Payne, Andrews, Scott, Woolsey, Hinojosa, Tierney, Kucinich, Wu, Holt, Davis, Grijalva, Bishop, Loeb sack, and Hirono.

Staff Present: Katherine Bathgate, Press Assistant; James Bergeron, Director of Education and Human Services Policy; Colette Beyer, Press Secretary—Education; Kirk Boyle, General Counsel; Casey Buboltz, Coalitions and Member Services Coordinator; Heather Couri, Deputy Director of Education and Human Services Policy; Daniela Garcia, Professional Staff Member; Ed Gilroy, Director of Workforce Policy; Jimmy Hopper, Legislative Assistant; Amy Raaf Jones, Education Policy Counsel and Senior Advisor; Barrett Karr, Staff Director; Brian Melnyk, Legislative Assistant; Brian Newell, Press Secretary-Labor; Mandy Schaumburg, Education and Human Services Oversight Counsel; Alex Sollberger, Communications Director; Linda Stevens, Chief Clerk/Assistant to the General Counsel; Alissa Strawcutter, Deputy Clerk; Tylease Alli, Minority Hearing Clerk; Jody Calemine, Minority Staff Director; John English, Minority Presidential Fellow; Jamie Fasteau, Minority Deputy Director of Education Policy; Ruth Friedman, Minority Director of Education Policy; Brian Levin, Minority New Media Press Assistant; Kara Marchione, Minority Senior Education Policy Advisor; Megan O'Reilly, Minority General Counsel; Julie Peller, Minority Deputy Staff Director; Helen Pajcic, Minority Education Policy Advisor; Alexandria Ruiz, Minority Administrative Assistant to Director of Education Policy; Melissa Salmanowitz, Minority Press Secretary; and Laura Schifter, Minority Senior Education and Disability Advisor.

Chairman KLINE. A quorum being present the committee will come to order.

Well, good afternoon to our guests, and welcome back, Secretary Duncan, to the Education and the Workforce Committee. It is nice

to have you back. We realize your time is valuable and we appreciate the opportunity to speak with you today regarding the President's budget proposal and the current state of education in the Nation.

Our country is facing a historic fiscal crisis. After years of neglect and mismanagement, our national debt has exceeded \$14 trillion and continues to climb at a rapid pace. Despite this year's projected budget deficit of \$1.6 trillion, the administration has put forward a plan for the next decade that includes \$8.7 trillion in new spending, \$1.5 trillion in new taxes, and \$13 trillion in new debt. Proposing a budget that once again spends too much, taxes too much, and borrows too much is not the kind of leadership that America deserves.

I am disappointed to see this lack of leadership in the administration's budget proposal for the Department of Education which includes a request for \$48.8 billion in so-called "non-Pell discretionary spending." This is a new term of phrase for Washington, and it attempts to conceal the true costs associated with the proposal. Behind this gimmick lies an additional request for \$28.6 billion in discretionary spending for the Pell Grant program as well as \$12.6 billion in mandatory costs, a total request of \$41.2 billion for the program.

Here is the bottom line. The Department is asking to spend nearly \$90 billion during the next fiscal year, a 31 percent increase in the Department's budget from the time the President took office. I shouldn't have to tell anyone here that this kind of spending is unsustainable and keeps Pell Grants on the path to bankruptcy.

We have to make tough choices now to ensure this important program remains available for the students who need it most. Winning in the future is a goal we all share but it can't be won through record spending and record debt. It is time we change the status quo not only in how we approach our fiscal future but also in the way we support our Nation's education system.

It is no secret our current education system is failing. We all know the statistics of high school and college dropouts and test scores that leave students unprepared to tackle the challenges they will confront both in the classroom and in the workplace.

Secretary Duncan, I want to reiterate my appreciation for your ongoing efforts to reach across the aisle and across town for the betterment of the Nation's classrooms. Although we may not see eye to eye on all things, you and I share a belief that the current system is broken and is in desperate need of repair.

As we continue working on reforms that focus on what is best for students, parents, teachers, and communities, we must first answer a fundamental question: What is the proper role of the Federal Government in education?

Despite the near tripling of overall per-pupil funding since 1965, national academic performance has not improved. Math and reading scores have largely gone flat, graduation rates have stagnated, and researchers have found serious shortcomings with many Federal education programs.

Additionally, the volume of rules and reporting requirements associated with Federal spending has skyrocketed. During a recent hearing in this committee, we learned from school officials and

local leaders that the regulatory burden created by Federal spending often outweighs any potential benefits. The Race to the Top, while well intended, has exacerbated this tension, leaving schools and States even more frustrated with Federal intervention.

The Department's activism in higher education is also troubling. As you know, Mr. Secretary, a bipartisan coalition of Members believes that gainful employment regulations that the Department is working on are the wrong approach to encouraging accountability and transparency in higher education. I strongly urge you, especially in light of last month's overwhelming bipartisan vote, to withdraw this job-destroying proposal.

The time has come to chart a different course. As we work to answer the question about the appropriate role for the Federal Government in education, one thing is for sure, it must be less costly and less intrusive. Across the Nation, Americans have demanded Washington make tough choices and real sacrifices to get our budget in order and put our Nation back on the path to long-term prosperity. The day of reckoning is here, and the time to demonstrate the leadership our country desperately needs is now.

I look forward to your testimony, Mr. Secretary, and to working with you in the days ahead. I would now like to recognize the distinguished senior Democrat on the committee, Mr. Miller, for his opening remarks.

[The statement of Chairman Kline follows:]

**Prepared Statement of Hon. John Kline, Chairman,  
Committee on Education and the Workforce**

Good afternoon to our guests and welcome back, Secretary Duncan, to the Education and the Workforce Committee. We realize your time is valuable and we appreciate the opportunity to speak with you today regarding the president's budget proposal and the current state of education in the nation.

Our country is facing a historic fiscal crisis. After years of neglect and mismanagement, our national debt has exceeded \$14 trillion and continues to climb at a rapid pace.

Despite this year's projected budget deficit of \$1.6 trillion, the administration has put forward a plan for the next decade that includes \$8.7 trillion in new spending, \$1.6 trillion in new taxes, and \$13 trillion in new debt. Proposing a budget that once again spends too much, taxes too much, and borrows too much is not the kind of leadership America deserves.

I am disappointed to see this lack of leadership in the administration's budget proposal for the Department of Education, which includes a request for \$48.8 billion in so-called "non-Pell discretionary spending." This is a new turn of phrase for Washington that attempts to conceal the true costs associated with this proposal.

Behind this gimmick lies an additional request for \$28.6 billion in discretionary spending for the Pell Grant program, as well as \$12.6 billion in mandatory costs—a total request of \$41.2 billion for the program. Here is the bottom line: the department is asking to spend nearly \$90 billion during the next fiscal year—a 31 percent increase in the department's budget from the time the president took office.

I shouldn't have to tell you that this kind of spending is unsustainable and keeps Pell Grants on the path to bankruptcy. We have to make tough choices now to ensure this important program remains available for the students who need it most.

Winning the future is a goal we all share, but it can't be won through record spending and record debt. It is time we changed the status quo, not only in how we approach our fiscal future, but also in the way we support our nation's education system.

It is no secret our current education system is failing. We all know the statistics of high school and college dropouts and test scores that leave students unprepared to tackle the challenges they will confront both in the classroom and in the workplace.

Secretary Duncan, I want to reiterate my appreciation of your ongoing efforts to reach across the aisle for the betterment of the nation's classrooms. Although we

may not always see eye to eye, you and I share a belief that the current system is broken and in desperate need of repair. As we continue to work on reforms that focus on what's best for students, parents, teachers, and communities, we must first answer a fundamental question: What is the proper role of the federal government in education?

Despite the near tripling of overall per pupil funding since 1965, national academic performance has not improved. Math and reading scores have largely gone flat, graduation rates have stagnated, and researchers have found serious shortcomings with many federal education programs.

Additionally, the volume of rules and reporting requirements associated with federal spending has skyrocketed. During a recent hearing in this Committee, we learned from school officials and local leaders that the regulatory burden created by federal spending often outweighs any potential benefits. Race to the Top, while well intended, has exacerbated this tension, leaving schools and states even more frustrated with federal intervention in our classrooms.

The department's activism in higher education is also troubling. As you know, Mr. Secretary, a bipartisan coalition of members believes the gainful employment regulations are the wrong approach to encouraging accountability and transparency in higher education. I strongly urge you, especially in light of last month's overwhelmingly bipartisan vote, to withdraw this job-destroying proposal.

The time has come to chart a different course. As we work to answer the question about the appropriate role for the federal government in education, one thing is for sure: it must be less costly and less intrusive.

Across the nation, Americans have demanded Washington make tough choices and real sacrifices to get our budget in order and put our nation back on the path to long-term prosperity. The day of reckoning is here, and the time to demonstrate the leadership our country desperately needs is now.

I look forward to your testimony, Secretary Duncan, and to working with you in the days ahead. I would now like to recognize the distinguished senior Democratic member, George Miller, for his opening remarks.

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Mr. MILLER. Thank you, Mr. Chairman. And welcome back, Mr. Secretary. This is the fourth time we have had the privilege of having you before this committee since you were named Secretary of Education. Each time you have told us about the work that the Obama administration is doing to help our students succeed and our country prosper. You and President Obama have already shown us that you are ready to lead, ready to set the bar high, and ready to demand the best. This means starting with our youngest learners and helping at every step along the way.

The President's most recent budget makes it clear that quality education has to start well before our children enter the doors of elementary school. It makes important investments in early childhood education because investing in our youngest learners is one of the smartest investments we can make. Programs like Head Start ensure that children are on the right pathway, with a solid foundation for success.

In addition, the proposed Early Learning Challenge Fund would increase the number of low-income children arriving at kindergarten with the skills they need to succeed by spurring better standards and quality in early learning settings.

The President has also outlined an ambitious goal to have the world's highest college graduation rate by the year 2020. To meet that goal, it is imperative that we continue to invest in our Nation's college students through Pell Grants and other forms of student aid, and we need to encourage colleges and States to partner in initiatives to ensure that students not only enter but that they graduate from 2-year and 4-year institutions. Especially in this economy, we have to keep the commitment to students. We used to lead the world in college graduates. Now we are shamefully



ranking below other competitive countries. This can change and it should.

But before we even begin to have the conversation about college, we need to ensure that our students are learning in the elementary schools, succeeding in middle school, and graduating from high school.

Secretary Duncan, Chairman Kline and I have been part of several of the bipartisan meetings between the House and the Senate to discuss the future of the reauthorization of the Elementary and Secondary Education Act. These meetings have been productive. They have been engaging. And most importantly, they have been encouraging that we will be able to work in a bipartisan fashion to rewrite No Child Left Behind in this session.

Mr. Secretary, I don't need to remind you of the importance of that reauthorization in this year. In fact, I bet you will probably be telling us about the importance of the reauthorization this year. I think it is critical. I think as we have listened to the hearings that the chairman and the committee have put together over the last several weeks, it is becoming clearer and clearer that this law is no longer sufficient to fully engage local communities, students, and families in the future of their education; that it is too burdensome and it is outdated in a number of ways.

Every witness we have had has been committed to making sure that poor minority children are given the full opportunity of a first-class education. But many of the ways that we measure that today do not reflect what is going on in many of the communities across the country. And we all know the statistics. We rank 25th in math, 14th in reading, and 17th in science among the industrialized nations.

The most recent NAEP scores found that only 21 percent of our high school seniors performed at or above proficient levels. That is why we need the authorization. We have got to change those outcomes. We also know that employers are demanding a more qualified workforce than is currently available. Our children deserve more, and our country deserves more. Inaction is one of the biggest threats to the future of this country, to our economic stability, and to our global competitiveness. We can't be sitting on our hands. It is time for the kind of change that you and the President have outlined.

The U.S. has not fallen in international rankings because we have gotten worse. We have fallen behind because we have stagnated while other countries have accelerated. Our top 10 percent of students are able to compete internationally, while poor or minority students have been allowed to fall flat. If we don't hold our schools accountable for all of these children in our classrooms, we will fail in those rankings and as a society. There is no excuse for letting this continue in a country as great as ours.

It is time that we decide that, as a Nation, we can no longer afford to stay just average. We can't afford to lose a generation of children because our best intentions don't work as well as they should have. We need a change, and our Federal education policy isn't a mystery to most people. We have to update the law and respond to the student and national needs through college- and career-ready standards. We need to modernize teaching and the

learning workforce and recognize the teachers and leaders as the professionals that they are. We need to reevaluate the Federal role in education, as we discussed last week. We need to maintain accountability, but we must provide States and local districts more flexibility in how they appropriately address those needs and achieve those outcomes.

I know that we can get this right. Our students can't afford to wait any longer, and I look forward to hearing you. And thank you for taking your time to come and brief the committee.

Chairman KLINE. I thank the gentleman.

[The statement of Mr. Miller follows:]

**Prepared Statement of Hon. George Miller, Senior Democratic Member,  
Committee on Education and the Workforce**

Thank you, Mr. Chairman.

And welcome back, Mr. Secretary.

This is the fourth time we've had the privilege of having you before this Committee since you were named Secretary of Education.

Each time, you've told us about the work the Obama administration is doing to help our students succeed and our country prosper.

You and President Obama have already shown us you are ready to lead, ready to set the bar high and ready to demand the best.

This means starting with our youngest learners and helping at every step along the way.

The President's most recent budget makes it very clear that quality education has to start well before our children enter the doors of elementary school.

It makes important investments in early childhood education because investing in our youngest learners is one of the smartest investments we can make.

Programs like Head Start ensure our children are on the right pathway with a solid foundation for success.

In addition, the proposed Early Learning Challenge Fund would increase the number of low-income children arriving at kindergarten with the skills they need to succeed by spurring better standards and quality in early learning settings.

The President has also outlined an ambitious goal to have the world's highest college graduation rate by the year 2020.

To meet this goal, it is imperative that we continue to invest in our nation's college students through Pell grants and other forms of student aid.

And we need to encourage colleges and states to partner in initiatives to ensure that students not only enter, but graduate from college.

Especially in this economy, we have to keep this commitment to students. We used to lead the world in college graduates, now we're shamefully ranking below other competitive countries.

This can change and it should.

But before we can even begin to have a conversation about college, we have to ensure our students are learning in elementary school, succeeding in middle school and graduating high school.

Secretary Duncan, Chairman Kline and I have all been part of several Big 8 meetings with our colleagues from the Senate about the future of the reauthorization of the Elementary and Secondary Education Act.

These meetings have been productive. They've been engaging. And most importantly, they've been encouraging that we will be able to work in a bipartisan way to rewrite the education law in this country.

Mr. Secretary, I don't need to remind you how important it is that we get to the ESEA reauthorization this year. In fact, I bet you'll be telling us about that very soon.

We all know the statistics by now.

We rank 25th in math, 14th in reading and 17th in science among other industrialized countries.

The most recent NAEP results found only 21 percent of high school seniors performed at or above the proficient level.

We also know that employers are demanding a more qualified workforce than is available.

Our children deserve more. Our country deserves more.

Inaction here is one of the biggest threats to the future of this country, to our economic stability and our global competitiveness. We can't be sitting on our hands. It is time for real change.

The U.S. has not fallen in international rankings because we have gotten worse—we've fallen behind because we have stagnated while other countries have accelerated.

Our top 10 percent of students are able to compete internationally while poor and minority students have been allowed to fall flat.

If we don't hold our schools accountable for ALL the children in their classrooms, we fail.

There are no excuses for letting this continue in a country as great as ours.

It is time we decide as a nation that we can no longer afford to stay just average.

We can't afford to lose a generation of children because our best intentions didn't work as well as they should have.

What needs to change in our federal education policy isn't a mystery.

We have to update the law to respond to student and national needs through college and career-ready standards.

We need to modernize the teaching and learning workforce and recognize teachers and leaders as the professionals they are.

And we need to reevaluate the federal role in education, as we discussed last week, we must maintain accountability, but provide states and districts more flexibility where appropriate.

I know we can get this right. Our students can't afford for us to wait any longer.

I look forward to hearing from you, Mr. Secretary, about how we can get this country back on track and what we can do to help students succeed.

I yield back.

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Chairman KLINE. Pursuant to committee rule 7(c), all committee members will be permitted to submit written statements to be included in the permanent hearing record. Without objection, the hearing record will remain open for 14 days to allow statements, questions for the record, and other extraneous material referenced during the hearing to be submitted in the official hearing record.

[The statement of Mr. Towns, submitted by Mr. Payne, follows:]

**Prepared Statement of Hon. Edolphus Towns, a Representative in Congress  
From the State of New York**

Mr. Chairman, and Ranking Member Miller, thank you for convening today's hearing on the President's Proposed FY12 Budget for the Department of Education. Secretary Duncan, thank you so much for testifying before the committee today.

I would like to start by expressing my support for the Administration's Education budget request. The President's proposed budget reflects the need to address the serious deficit facing our country without completely gutting vital programs that provide for the instruction of our children. In addition to programs designed to ensure quality education for all young students, the proposed FY12 budget would expand the Pell Grant program over the next 10 years, giving qualified undergraduate and graduate students financial help to seek a degree. The FY 12 budget would improve the way we approach education in a number of other ways. An additional \$1.35 billion is set aside for Race to the Top awards for deserving state and local school districts. The proposed budget ensures \$900 million is provided for the important task of helping States and local education agencies turn around their 5,000 lowest-performing schools over the next 5 years through the School Turnaround Grants program. The Head Start program would receive \$8.1 billion, which is an \$866 million increase over last year's budget. This would allow programs across the country to continue to provide services that will allow for 967,000 low-income children to reach their full potential in their education.

However, I am deeply discouraged to see that despite the improvement in funding for the Pell Grant program, the cuts proposed to the year-round Pell program drastically change the educational experience for our nation's students. The budget proposes an increase of \$43.9 billion in new mandatory grant funding over the next ten years, however, year-round Pell grants are proposed to be eliminated to pay for this increase. This will result in Pell students not having the option to take summer courses. In addition, the grant would be paid for by eliminating the Stafford loan subsidy for graduate students. Under current law, the government pays the interest on Stafford loans while graduate students are pursuing their education. We should

be promoting policies that encourage students to pursue higher learning, rather than penalizing them for doing so.

Rather than propose cuts that would add financial burden to already needy students, we should be working together to ensure that those who seek a higher education can feel secure in knowing that we are going to make college more affordable and attainable for all.

Thank you, Mr. Chairman. I yield the balance of my time.

Chairman KLINE. Before I introduce very briefly somebody who to this committee really needs no introduction, I just want to make an administrative announcement. The Secretary has a hard stop time at 5 o'clock, so I would encourage my colleagues to abide by the 5-minute rule as we go through. We will, of course, be affording the Secretary as much time as he needs to give his testimony and then try to keep it moving so all members have a chance to ask the Secretary questions.

The Honorable Arne Duncan is the current U.S. Secretary of Education, having been confirmed by the U.S. Senate in January of 2009. Prior to his appointment as Secretary of Education Mr. Duncan served as the chief executive officer of the Chicago Public Schools from June 2001 through December 2008, becoming the longest-serving big-city education superintendent in the country. And congratulations to you, sir.

As CEO, Mr. Duncan was widely credited for pursuing an aggressive educational reform agenda that included opening more than 100 new schools, expanding after-school and summer learning programs, and closing down underperforming schools. And your biography goes on and on. But I think every member of this committee knows this. So just let me say, Mr. Secretary, you are now recognized and welcome again.

**STATEMENT OF HON. ARNE DUNCAN, SECRETARY,  
U.S. DEPARTMENT OF EDUCATION**

Secretary DUNCAN. Thank you so much, Chairman Kline, Ranking Member Miller, and members of the committee. Thank you so much for this opportunity to come before you again and talk about President Obama's education agenda.

Last week I spoke before the Senate Budget Committee and emphasized our administration's dual commitments to reduce spending and to be more efficient, while investing in education to secure our future. These investments spanned every grade from early learning to Pell Grants and they are reflected in my written statement. I expect they will be vigorously debated and discussed in the coming months as Congress works to pass a budget. I am happy to discuss those issues here today.

Before I do, however, I want to speak to the policy changes we must make in order to strengthen American K-12 education. A year ago, we released a 41-page blueprint for rewriting the Elementary and Secondary Education Act. Most of you may be familiar with the core elements of our proposal, so I will be brief and then open it up to our conversation.

Our goal is to create a law that is defined by three simple words: fair, flexible, and focused. We say "fair," we mean a system of accountability based on individual student growth, one that recognizes and rewards success and holds all of us accountable for the

quality of education we provide to every single student in the Nation. This is a sea change from the current law which simply allows every State to set an arbitrary bar for proficiency, and measures only whether students are above or below that bar. We don't know how much students learn each year. We don't know what they need to do to get over that bar. And we can't recognize and reward the great teachers and principals that are beating the odds every single day.

Current law also sets annual targets for proficiency and mandates that every student meet those goals by 2014. Today almost 40 percent of America's schools are not meeting those goals. And as we approach the 2014 deadline, that number will rise steeply.

In fact, we did an analysis which shows that next year, based upon this year's results, the tests the students are taking over the next couple of months, next year, the number of schools not meeting their goals under NCLB could double to 80 percent, even if we assume that all schools will gain as much as the top quartile of schools in their respective States.

Let me say that one more time. Four out of five schools in America would not meet their goals under NCLB by next year. This is why we have to fix the law now. No one can support inaction and maintain status quo. I do not think that all of these schools are failing by any means. They have challenges; big challenges, small challenges. And they need to meet them because every single child counts. But current law simply does not distinguish between them. And we have to do that. We need to distinguish that if we are going to address the real problems.

The consequences under the current law are very clear. States and districts all across America will have to intervene in more and more schools each year, implementing the exact same interventions regardless of those schools' or those students' individual needs. If that happens, the schools with the widest gaps and the lowest achievement won't get the help and attention they need. And that worries me deeply because the whole point of the law is to make sure that the schools and students most at risk are served.

We have to be thoughtful in our approach. NCLB's requirement to disaggregate student achievement data for low-income students, minority students, English language learners, and students with disabilities completely changed the national conversation. And we can no longer look the other way as some groups of students languish while others thrive.

The law reflects our fundamental aspiration that every single child is expected to learn, to achieve, and to succeed. However, we give NCLB less credit for actually helping to close achievement gaps. By mandating and prescribing one-size-fits-all solutions, NCLB took away the ability of local and State educators to tailor solutions to the unique needs of their students, and that is fundamentally flawed.

This law is fundamentally broken and we need to fix it, and we need to fix it this year. It has created dozens of ways for schools to fail and very few ways to help them succeed. We want to get out of the business of labeling schools as failures and create a new law that is fair, flexible, and focused on the schools and the students most at risk. We need a commonsense law that strikes the right

balance between accountability and flexibility. And the basic problem is that NCLB got that backwards. Instead of being tight on goals and loose on means of achieving them, the law is loose on goals but tight on means. From a management standpoint, that simply doesn't make sense.

We need to flip that, and States are already leading us in the right direction. First of all, many States are developing robust data systems so they can measure student growth. Second and more important, 41 States plus D.C. have voluntarily adopted college- and career-ready standards, so the bar has been raised.

States appreciate the flexibility and the support we are providing in other ways as well. At their request, last week we gave all Governors a document explaining how they can shift around Federal funds to better meet their local needs. We also gave them a second document, showing how they can be more productive and efficient as they work to balance their budgets in these very tough economic times. We all need to be sharing good ideas and best practices to do more with less. But they are also begging us for more flexibility in getting their students over the bar set by NCLB, which is why we need to fix the law.

Under our proposal, when schools and districts and States make gains, we will reward them with resources and flexibility. But if schools boost overall proficiency while leaving one subgroup behind, that is simply not good enough. Every school, every single school must ensure that every child is being served. Schools must serve annual targets for improvement for all students and subgroups. And if achievement gaps are not closing each year, districts and States must intervene. We will challenge them not only around achievement gaps but also on their use of Title I dollars. And we will further challenge them on the distribution of effective teachers and comparability in funding. Finally, if schools persistently underperform, we will target them for much more serious interventions.

And that gets to the third word I mentioned at the beginning, which is "focus." We don't have unlimited resources. We must focus on the schools, communities, and the students most at risk.

Congress has been generous with us in recent years. And by providing \$4 billion for school improvement grants, that money will help fix thousands of our Nation's lowest performing schools, those dropout factories that we cannot just sit idly by and watch.

President Obama and I visited one of these schools last month in Miami, accompanied by former Florida Governor Jeb Bush. The school has new leadership, some new staff, a new curriculum, more time for learning, and best of all, a new climate of energy, hope, and determination that is already generating measurable progress in the classroom. I can't tell you how inspiring this visit was. Both teachers and students were so thankful for the opportunity to gather to create a much better learning environment. And today across the country, nearly 1,000 schools are undergoing similar transformations. And each year we will add more.

This is tough work, controversial work, tough medicine. But when schools are not making progress, we have a moral obligation to demand dramatic change. Children cannot wait for an education. They can't take a year or two off while administrators tinker around the edges.

Now, nothing about our proposal for reauthorization alters our historic commitment to serve populations that need extra support or hold schools accountable for the academic success of these students. That includes low-income children, students with disabilities, English language learners, rural students, and others.

Our commitment to help the children who need the most support is stronger than ever. As our proposed 2012 budget shows, 84 percent of our funding is for formula programs like Title I and IDEA. In fact, we want to increase funding for both of these programs. But formula funding alone won't move the needle fast enough. We also need to provide some incentives to States and districts and local communities to embrace new bold reforms.

As you know, Congress gave us a unique opportunity to develop a State-level grant competition called Race to the Top. This program accounts for less than 1 percent of annual spending on K-12 education in America but it has helped unleash more creativity, more change, more collaboration, more positive and productive activity at the State and the local level than any other program in history, and has done so by avoiding one-size-fits-all mandates and providing flexible funding that gives State and local leaders the opportunity to develop comprehensive solutions on their own.

And I want to work with you and with local leaders to design the next round of this program, a district-level competition that includes a carve-out for rural school districts. Rural districts are absolutely willing to compete but they need a level playing field. And it is unfair to ask small districts, where school administrators are often doing double and even triple duty as coaches and bus drivers, to compete directly with large districts who might have full-time grant writers.

I fully understand that competitive programs serve only a share of the student population, but the real measure of competitive programs like Race to the Top is not the direct impact they have on students but rather the indirect impact they have on the entire system. A dozen States received funding from us, but 41 States raised standards. And that is a game-changing victory for the country and long term for our country's economy.

Our education system was designed more than a century ago and it has simply not changed with the times. It must change to prepare our students for the new century. We must try new approaches of teaching, new ways of using technology, and better systems of monitoring progress. The only way to get better results is by replacing what doesn't work with what does. Competition can help drive innovation and take the best ideas from around the country to scale. And we must also have the will to change right here in Washington. I have said repeatedly, our Department must continue to support and encourage innovation, not force compliance.

And we must continue to work together in a bipartisan way to rewrite the law. This requires real courage to move beyond our differences and to find common ground around basic principles of fairness and flexibility.

We are more than halfway through another school year. Let's challenge ourselves to give States and districts and communities the support and the flexibility they need before the start of the

next school year, and let's do it with everyone at the table. Reform is most effective and sustainable when developed collaboratively with our teachers and the leaders. Race to the Top proved it.

Our Denver conference last month was another step forward, and rewriting ESEA can further strengthen the relationship between policymakers and practitioners in our Nation's classrooms. At the end of the day, the best way to make a difference in the classroom is with effective, well-supported teachers. The best way to achieve that is with stronger recruiting and training programs linked to rigorous teacher and principal evaluation systems. That work is underway all across America. And if we do our part by fixing the law, we can accelerate that progress.

The urgency for change has never been greater. The plain fact is that America is stagnating while the rest of the world moves ahead of us. The plain fact is that to lead in a new century, we have no choice in this matter but to invest in education. No other issue is more critical to our economy, to our future, and to our way of life.

And so I look forward to working with you in the coming months to meet this challenge and to renew our commitment to our children and their future by building the education system they desperately need and deserve. Thank you so much. I am now happy to take your questions.

Chairman KLINE. Thank you very much, Mr. Secretary. Thanks again for being with us, as the ranking member said, for the fourth time. Thanks again for your willingness to work with us in a bipartisan way. And thanks for your testimony.

[The statement of Secretary Duncan follows:]

**Prepared Statement of Hon. Arne Duncan, Secretary,  
U.S. Department of Education**

CHAIRMAN KLINE, RANKING MEMBER MILLER, AND MEMBERS OF THE COMMITTEE: Thank you for this opportunity to appear before this Committee to discuss President Obama's education policy proposals and the fiscal year 2012 education budget.

Our policies, including those embodied in the President's budget, reflect our Administration's dual commitments to reducing spending and becoming more efficient while investing to secure our future—and education is at the very top of the list of investments we must make.

Education is the foundation of a free and democratic society. It is the blanket of security for the middle class and the path out of poverty for millions of Americans who continue to struggle because of the changing economy.

Education gives immigrants and their children the chance to be productive citizens and contribute to our collective wealth.

Education prepares students with disabilities to be full participants in our economy and our communities.

Education enables us—as a country—to compete in a global economy with other countries that are heavily investing in the preparation of the next generation of innovators and leaders in business.

Education is not just an economic security issue—it's a national security issue—which is why retired General Colin Powell, for example, devotes so much of his energy to education. Last year, military leaders stood with me and called for more education funding because only one in four young high school graduates today is educationally and physically equipped to serve their country.

Today, all across America, people are meeting the challenge of improving education in many different ways—from creating high-quality early learning programs, to raising standards, improving teacher quality, and aggressively closing achievement gaps and increasing high school and college completion.

While the federal government contributes less than 10 percent of K-12 funding nationally, our dollars play a critical role in promoting excellence and equity, pro-



tecting children at risk, and, more recently, supporting significant educational reform at the state and local levels.

In terms of reform, the last Administration focused on, among other areas, charter schools and performance pay—two programs that benefitted my school system when I was CEO of the Chicago Public Schools.

Our Administration has used competitive dollars to incentivize state and local educators to think and act differently. Our Administration's Race to the Top program has prompted governors and educators to jointly embrace bold systematic reforms.

For example, 41 states and the District of Columbia have adopted higher standards and several states have passed new laws and policies on teacher evaluation. Several states have altered their charter school laws and policies to foster the creation of new learning models, all for the purpose of increasing student achievement.

Race to the Top also prompted us to rethink the federal role. As I said, the department was established to promote excellence and equity in education and protect students most at risk. To that end, we have steadily boosted our commitment to formula programs like Title I and the Individuals with Disabilities Education Act, or IDEA.

The federal government also has a long history of supporting higher education—from the land-grant colleges in the 19th century to the GI Bill and the Pell Grant program in the 20th. This budget would further increase our investments in higher education with further innovation, incentive and performance-funding for both student lending programs and incentives designed to foster reforms and innovations necessary to increase college completion.

Today, our most critical role in pre-K through 12 education is in supporting reform at the state and local level by providing flexibility and incentives—while holding states and districts accountable in a fair, honest, and transparent way. In fulfilling this role, we must strike the right balance—providing as much freedom as possible to schools while ensuring that all children receive the services and supports they need to leave school prepared for college and career.

Last week, at the request of Governor and National Governors Association Chair Christine Gregoire, we shared a series of documents with our nation's governors outlining ways they can save costs, cut spending, and use existing flexibilities under federal law in ways that will best serve our students. We're doing what we can to get out of the way of governors and local leaders who know what's best for their students, but to truly make an impact, we need to fix the No Child Left Behind Act (NCLB).

I have spent two years traveling the country, visiting many of your states and districts and talking with teachers and parents. As you all know, there is a lot of dissatisfaction with NCLB. Many people believe that the law goes too far with sanctions—mislabeling schools and issuing one-size-fits-all mandates tied to a chain of punitive sanctions that haven't been working.

NCLB was right to shine a bright light on achievement gaps and set a clear expectation that all students must learn to the same standards. This has led to great progress in schools focusing more on the needs of English learners and students with disabilities and other at-risk students. But we need to raise the bar by ensuring that every student graduates from high school ready for college and a career. We need to move away from punitive measures based on a single test on a single day, and toward recognizing and rewarding schools and teachers based on growth and progress. And we need to give states and districts much more flexibility, while focusing interventions where they are most needed.

To ensure an excellent education for every child, our focus must change from labeling and punishing schools to preparing and supporting effective teachers and school leaders. We need rigorous state and local definitions of teacher effectiveness that consider student growth in significant part as well as other measures of instructional practice and better teacher evaluation systems that inform professional development and practice. And we need to reorient decision-making in our schools around the simple question of how we ensure that every student has an effective, well-supported teacher.

That's why we are asking Congress to fix NCLB—and I look forward to working with you in the months ahead to do that. We're now halfway through another school year, and we have an obligation to ensure that when the next school year begins, we've done our job to give states and communities the flexibility they need.

Despite these concerns, as I travel the country I also hear a deep appreciation for the federal commitment to children and learning. Parents and educators are grateful for our support of science, technology, engineering and mathematics (collectively known as STEM) subjects. Americans know that—even in challenging fiscal times like these—we must prepare our young people to compete in tomorrow's economy.

They know that—even as states face greater financial pressure than at any time in recent history—we cannot put our children at risk—so our budget reflects these aspirations and commitments.

Overall, we are seeking a \$2 billion increase in non-Pell spending. That includes increases in formula programs like Title I and the IDEA while maintaining programs for English Learners and other at-risk populations such as rural, migrant, and homeless students.

We are calling for a new round of Race to the Top funds, with which we would make grants directly to school districts rather than states, and include a carve-out for rural communities. We want to work with State and local leaders, including leaders of rural communities, and with the members of this committee as we design this program, as well as the Investing in Innovation fund, or i3, in a way that reflects local needs.

At their core, Race to the Top and i3 are about spurring reform by rewarding success and giving flexible funding to implement good ideas. Especially in a time of tight budgets, we need to make the most effective use of federal funds. Formula funds alone won't drive the kind of transformational reform our education system needs—we need to combine a strong foundation of formula funding with targeted use of competitive grant funds.

We want to continue to invest in innovation and research. We want to support a well-rounded education that includes the arts and foreign languages, literacy, STEM, and physical education.

We want to strengthen the teaching profession in a number of ways and work harder to attract top students to pursue teaching careers. We want to attract effective teachers into high-poverty schools and hard-to-staff subject areas and fill shortage areas by supporting teachers in obtaining dual certification in special education or English language acquisition. Also, we want to help states strengthen their early learning systems.

And we are challenging states to boost college completion. Today, more than half of our young people who go to college fail to earn a degree. As a nation, we cannot sustain that any longer.

In the 2010 budget enacted by Congress, we eliminated four programs saving \$360 million. In our proposed 2012 budget, we propose eliminating 13 more programs in order to save another \$147 million. Together these savings would total more than \$500 million annually—which is helping fund our other priorities.

Mindful of the paperwork burdens we place on local school districts, we are proposing to consolidate 38 separate elementary and secondary education programs into 11 funding streams. These common-sense reforms will make it easier for school districts to focus on educating children, rather than bureaucratic compliance. And, as I mentioned, we are supporting governors in taking similar steps at the state level by providing guidance on how to spend federal funds flexibly and cut costs in a way that protects all students.

We are also proposing to reduce our investment in career and technical education (CTE)—not because we don't believe in CTE—but because we feel the current program is not getting the results we need. We are still seeking a billion dollars for CTE and we are committed to working with states to reform these programs to better prepare students to meet the needs of the new economy. We look forward to working with Congress to strengthen the program and improve its alignment with the education reform efforts at the core of our Elementary and Secondary Education Act (ESEA) reauthorization proposal, so that the Perkins Act is a stronger vehicle for supporting the President's 2020 college completion goal and the Department's secondary school agenda.

This year, we have also identified efficiencies in the student aid programs that, coupled with a change in Pell Grant policy, will help close a \$20 billion shortfall in the Pell Grant program and save \$100 billion over the next decade. Those savings mean that we can protect the \$5,550 maximum Pell award and help millions of students and their families meet rising tuition costs.

Those savings also mean that we can meet the skyrocketing demand for Pell Grants which has risen from less than 4 million grants in the year 2000 to a projected 9.6 million grants next year. In the last two years alone, an additional 3 million students received Pell grants.

In my view, this is a good problem to have. We need more young people and workers displaced by the recession going to college, and in this economy they desperately need our help. But we must do more to make sure that they finish college and earn their degrees and certificates.

So, we share with you the responsibility for being efficient and smart in how we invest. But we share an even greater responsibility, which is to prepare the next generation to lead.

We share responsibility for the 20 million disadvantaged students served by Title I, the nearly 7 million students served by the IDEA, the 5 million English language learners, and the 16 million college students who benefit from student aid programs.

In his State of the Union address, the President talked about winning the future. To emphasize the point, he announced his budget at an elementary school in Baltimore. He believes, as I do, that winning the future starts in the classroom.

He also believes that government spends too much, and he has outlined more than a trillion dollars in deficit reduction over the next decade. This is an important national conversation that will take a great deal of time, energy, and thought.

It will also take courage—real courage on the part of Congress and the Administration. We have to be truthful with each other and truthful with the American people about what is and isn't working. We have to take the heat together for the cuts we are making.

To win the future while cutting spending, we must be absolutely vigilant about how we invest and how we support reform at the state and local levels. We must be responsible in what we say and do, and we need to show results.

Responsibility, reform, and results are the hallmarks of our budget and our Administration and the guiding principles as we move forward.

I want to close by thanking Congress for your support of education over the last two years. Because of you, we protected millions of children in classrooms all across America from the greatest economic crisis since the depression.

Because of you, we helped states and districts all across America advance their reform agendas, raise standards, and challenge the status quo. Because of you, a thousand underperforming schools have launched dramatic restructuring plans to improve the lives of children—and many more are in the process.

Because of you, there is a greater determination than ever before to ensure that all of our children can compete in the global economy. And because of you, we face a brighter future and a greater prospect that the world we leave behind will be better than the one we inherited.

So on behalf of 80 million students of all ages, their parents and our hard-working teachers, principals, and administrators—and all of the people of America who value education and recognize its importance—I thank you for your leadership.

And now, I would be happy to take your questions.

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Chairman KLINE. I was pleased to see in your budget an elimination of some 13 programs. That is sort of a baby step in the right direction, I might say, because last week the GAO released a report that found there was widespread duplication, including around 80 Federal programs focused on improving teacher quality. So even though your budget request consolidates some of this, my question is: Why didn't you do more? Is it something you are still exploring? It just seems to me that one of the easiest things that we ought to be able to do, you in the administration, us here, is to eliminate much of this duplication.

Secretary DUNCAN. It is a great point, and we have to continue to work across the administration on getting—many of these programs aren't actually in our Department—but in others we need to work better together. We are absolutely committed to doing that. We consolidated 38 programs to 11, which is a pretty significant step in the right direction. As you said, we eliminated about 13 programs and we need to continue to do this hard work every single year.

Chairman KLINE. I look forward to continuing to work with you. I can assure you that we are looking at that here and we will continue to do so. It is very important that you provide the leadership and the first step in administration in doing that. We will do our part but I appreciate that you made the first step. I was always hoping for a bigger step, and I hope that we will get to one of those.

I have got a question for the record. I don't expect you to answer it here now. But I am concerned that there has been some informa-

tion that has come to light, lately been reported much in the news about the gainful employment rules and some short-sellers and some contact with the Department. I am not going to put you on the spot here now, but we will be looking for an answer for the record. We will reach you later.

Chairman KLINE. One of my favorite subjects, and that is funding for individuals with disabilities, Special Education. You may recall that last year, the Department came forward with a \$250 million increase that was labeled by one of my colleagues as “budget dust,” a view that I hardly concurred in. And this year, you have asked for \$200 million, even less. And I will freely admit that this is a bipartisan problem where we say, Republicans and Democrats, that we need to do something to come closer to or to meet the Federal Government’s—what I think is obligation of providing 40 percent of that extra funding. We are at about 17 percent now. So believe me, I know that fiscal times are hard, but you were able to find \$900 million more for Race to the Top and \$350 million more for the Investing in Innovation Fund.

And it just seems to me that our priorities aren’t right. We had an amendment on the floor during the continuing resolution to restore money to Special Ed which I thought was mistakenly taken out. We didn’t all agree for the pay-for, so I know that that is hard. But it is where my priority is. And again, I appeal to the administration in your budget, in your setting priorities, to make that a higher priority. What are you thinking about that?

Secretary DUNCAN. Yes. You and I first met discussing this.

Chairman KLINE. Very personal.

Secretary DUNCAN. And I absolutely appreciate your passion on it. Again, it is one I acutely felt in Chicago with an unfunded liability there. So we are asking for significant increases. There is an additional \$50 million on IDEA part C, for instance. We would love to do more.

As you know these are very tough budget times. What I would argue to you or ask you to consider is that when we have States across the country raising standards and really raising the bar, every single child benefits, particularly those children where, historically, standards have been dummed down and those are students with disabilities. When we are asking to have every single high school graduate be college- and career-ready, the greatest beneficiaries are those students that historically haven’t had those kinds of opportunities, students with disabilities.

So both through direct and indirect funding and by changing behavior at the State and local level, I am convinced we have a much better chance to help every single child fulfill their potential regardless of ability or disability.

Chairman KLINE. And I applaud your passion and your determination. And it is worthwhile for us to continue the discussion. I just know and everybody in this room knows that every school would benefit by Special Education funding. Some of these other things are controversial, not agreed to by everybody. Some benefit, some don’t benefit. But schools in this country are shifting money to meet the requirements of IDEA and increasing tensions among parents and other students. And I just would again encourage the

Department and the administration to take a look again at those priorities. And of course we will be doing that as we go forward.

Secretary DUNCAN. Thank you.

I have one more point. This is an important one. The conversation is an important one. We are also challenging folks, so there are clearly unmet needs, significant unmet needs. We recognize that. We realize that.

On the flip side, we are also challenging folks to think very creatively in this area. Let me give you a couple of examples. Many students who enter Special Education enter because they are labeled learning disabled, LD. Many students get labeled that because they weren't taught how to read before third grade. So we are pushing folks very, very hard. And these often are minority boys, our black and brown boys. We are really pushing districts to embrace early literacy, to work hard with students who are having those difficulties. And if we teach them how to read to keep them out of Special Education—what is amazing to me, Mr. Chairman, is once a student enters Special Education they almost never exit. It stays with them for life. If we can do a much better job of preventing students from having that label early on—if they have significant needs, let's do it.

The other thing that we are looking at is transportation. We have children who are on a bus by themselves at about \$35,000 a year. It would be much cheaper to buy that family three or four cars than to put them on one school bus every single year. So we need to increase funding, but we also need to really be thoughtful in are we being efficient in the use of scarce IDEA dollars.

Chairman KLINE. I am sure in many cases we are not. I concur there. But we are so far off. We are really, really far off in the funding. I am just asking that you will agree with that in terms of priority.

I am way past my time. I yield back. Mr. Miller.

Mr. MILLER. Thank you, Mr. Chairman. Just on the last point, I think when I look around California at what some school districts are doing in the early screening programs—I think it is part C programs, really simple dynamics—we are taking children that otherwise, almost out of default, would end up in Special Education are not. Some of it is the question of visual aids, glasses, what have you, some muscle coordination. The L.A. school district is showing a huge amount of promise in helping us reduce that.

Mr. Secretary, as I said in my opening statement, and I think you confirmed it in your statement, we really have got to get to the reauthorization. When I listened to the last two panels in the two hearings that we had in this committee, we are now seeing a level of sort of dynamic movement in States and in districts, be they rural or be they large urban districts across this country, with the use of data that now not only allows them to tell the districts and the public how the children in those districts are doing, but also now to delineate how their teachers are doing, which classes need additional assistance, which individuals could use additional professional development. And we are really starting to make moves now on driving performance-based outcomes that we really didn't have the capability to. We speculated about it, and a lot of people said that is what they were doing, and it kind of turned out that

wasn't. But now with robust data systems, we really see the level of cooperation between principals and superintendents and classroom teachers on a real-time basis and being able to get the children in need on a real-time basis as opposed to waiting for October of the next year, you know, when kids have selected classes and moved to different schools and you start all over again.

It seems to me that we have the ability to move away from this. As you said, one test on one day to judge a whole school system on that is really not an accurate reflection. Under the terms of No Child Left Behind, you really can't reward the work of people who made remarkable improvements but will not reach AYP the way it has been set up by their State—it may have nothing to do with the school, but by the State to do that.

I would hope that one of the things that comes out of this hearing is that we have to move. And I think we now have an ability to create a system of data that is transparent and, more importantly, understandable to parents and to students and to teachers and to the community, that really then calls into question what is our role in monitoring and sort of the lever-pulling that we have done over the last 30 years to really be able to back out of some of that; because I think if the data is properly collected, if it is properly published, communities will stand in on our behalf.

You know, the best economic driver in the community is a good school system. The Real Estate Association will tell you what the first question is families ask: What district is this home in?

So I think we have a chance to provide some substitution for what has been, you know, a tough Federal role for good reason. There were a lot of kids who were invisible. They are no longer invisible and they are not going to go back to being invisible. So I would just hope that we could figure out how we get the train on the tracks here, because I think there are very substantial improvements that could be made and really allow the dynamics that we are now seeing taking place in a lot of mixed districts across the country on behalf of students and their performance and their outcomes.

Secretary DUNCAN. I couldn't agree more. And I am hopeful. I obviously have extraordinary respect for your long-term commitment to this. I have a great working relationship with the chairman. The Senate is working very, very hard on this. And I think for all the silliness we sometimes see here in Washington, this can be the one issue that we come together behind and do the right thing for children and for the economy. So I am very, very hopeful. Again, I feel the urgency. I want to go into the school year with a much, much better law, with this law fixed.

Mr. MILLER. Thank you.

Chairman KLINE. I thank the gentleman. Mr. Petri.

Mr. PETRI. Thank you very much, Mr. Chairman. I have several narrow questions I would like permission to submit to the Secretary for a written response rather than using up my time.

Chairman KLINE. Without objection.

Mr. PETRI. First of all, in my part of the world, a lot of citizens are quite surprised to find what a small fraction of local K-12 education budgets actually come from the Federal Government. It is in the middle single digits in most of the districts.

Secretary DUNCAN. It is 8 to 10 percent, usually.

Mr. PETRI. Yes. Even a little lower in some of the districts. In our State and district, as is all over the country, we have our share of poverty, but we have joint school districts. And as a result, that kind of moves things towards the average, and the money doesn't follow the student. So we have a lot of poor kids who aren't getting help from programs that are designed normally to help poor students. And the districts, as a result, have an extra burden placed on them that they don't have the resources to meet.

Do you have any ideas, or are there things that we could do to try to better fund—direct funding better toward the students who in fact are poverty students and who have need, rather than to the districts in which they may happen to reside?

Secretary DUNCAN. Well, I think when you have scarce resources, as we do, and every district around the country will tell you these are the toughest budget times we have had in a long time, we have to make sure we are getting a great bang for our buck, that we are getting great results. So whether it is following the money down to the child, whether it is looking at how those investments are being made, we have to ask those questions. And whether it is Title I dollars that you are referring to, whether it is IDEA dollars that the chairman is speaking about, we have to make sure that every single scarce taxpayer dollar is having an impact on children.

Tough budget times are not things you welcome, but it is also a time to reevaluate your priorities. And if districts are doing things that aren't having an impact, you have to make tough cuts. You have to make tough calls to stop doing those and put those scarce dollars where they are making a difference. So if that money is getting lost in the bureaucracy or not really helping poor students be successful academically and break cycles of poverty because they are getting a great education, we have to challenge that status quo.

Mr. PETRI. Our problem is that the district doesn't qualify because it may have 20 percent of kids who are in poverty, but it is not getting funding because it doesn't have 70 percent or 80 percent or the whole district doesn't fit within the quality. I think it would be much more equitable to count the number of people who qualify, as we do with the school lunch program, for example, or things like that and let the money go to—not follow the student individually, necessarily—there are some problems with that—but go to the district in which they reside rather than disqualifying the district if it doesn't reach a certain threshold.

Secretary DUNCAN. I understand the point. I have got it. Thank you.

Mr. PETRI. The other complaint we have is, as you can imagine, with a relatively small percentage of dollars coming from the Federal Government, in the single digits, the stovepiping or siloing of all these different programs really means either you can't really effectively utilize many of the smaller ones or you lack any flexibility in tailoring the dollars to local needs by consolidating them in a way you could actually get something done.

Is there anything we can do to provide low funding districts with a little more flexibility? Or somehow allow people to manage the resources to actually do a better job?

Secretary DUNCAN. Absolutely. And I encourage you to please keep pushing us very hard on this. So we talked about consolidating 38 programs down to 11. That means a lot less stovepiping. It means much more accessible pools of funds, funds to districts.

We met with all the Governors in the past week. We actually handed out a document which we can give to you that talks about existing flexibility that isn't always used, and then, obviously, our whole goal in reauthorizing ESEA is to provide much more flexibility than what exists today. So there are a number of steps we have taken, are taking in the right direction.

I had great conversations with Governors and local superintendents on this. And I think if we can reauthorize together, we can take another very dramatic step in that direction. And again, for me, the huge trade-off in all of this is where we are raising standards. We have seen where we have a high bar—I want to hold folks accountable to that bar, but give them a lot more room to get there, get out of their micromanagement.

And I think that is the trade-off that you are seeing around the country that is the right thing for children and the right thing for education. And continue to push us hard to find ways to be more flexible, to be more innovative, to be less stovepipey. And if folks can spend less time dealing with us in the bureaucracy and more time teaching children to read, that would be a really good thing.

Mr. PETRI. We have met the enemy and it is us, because we have a lot of groups who naturally are concerned that some money is set aside for this need or that need, and it has been impossible to resist here.

Chairman KLINE. I thank the gentleman. The gentleman's time has expired. Mr. Kildee.

Mr. KILDEE. Thank you, Mr. Chairman.

Mr. Secretary, it is a pleasure to have you here. Currently we measure school performance based upon student achievement on required State reading and mathematic assessments. What other indicators could be used to expand accountability and measure student growth? We talk about growth models. Could attendance be one of the factors we could measure? Graduation? Aside from the number of students involved in attendance and graduation, that may have a cumulative effect upon the attitude within that school. Could there be other measures in which we can determine the progress of a school?

Secretary DUNCAN. Absolutely. So I think at the end of the day, graduation rates are hugely important. I think all of you know now we have about a 25 percent dropout rate in this country. That is economically unsustainable and it is morally unacceptable. High school dropouts today have no chance, none, to get a good paying job to support their family. So we have to look at graduation rates.

Longer term, we have to look at what happens after graduation. Are folks going to 2-year community colleges, 4-year universities, trade, technical vocational training? Are they persevering? Were they really ready? I keep saying we have to get higher education out of the remediation business. In many communities, 30, 40, 50 percent of students who actually graduate from high school are taking remedial classes in college because they weren't really



ready. We were lying to them. So looking at perseverance beyond high school is very important.

Attendance rates are what I call a huge leading indicator of what is going to happen. If you want to identify high school dropouts, look at kindergarten attendance rates. And where you have students missing—you know, 90 percent on a test sounds good; 90 percent attendance means that student is missing 18 days on a 180-school-day year. That is a month of school they are missing. So if you want to increase the outcomes, you have to look at attendance rates.

We want to put out there, we should ask teachers and ask students how they feel about the school. Do they feel supported? Is there an adult they can talk to? I think those kinds of climate surveys can be a great indicator. There has been pretty significant research that where there is a climate of trust in schools, you see innovation and creativity. When there is a significant distrust amongst administrators and staff, students' needs aren't being met. So I think there are multiple indicators and we should be looking at them both as leading and lagging indicators to better ascertain how schools are moving.

Mr. KILDEE. Can we write that into a law so the States will have that guidance and be assured that somehow we will let them measure those things?

Secretary DUNCAN. Well I think we have the flexibility now, and I am not sure they should be held accountable for every single one of these, but schools that are really smart in terms of driving student achievement are looking at discipline issues, are looking at truancy, or are looking at those things. So we can have a discussion of how it fits into it.

Just to give one more anecdote, the school we were at Friday, Miami Central High School, in its first year of a turnaround, so no test scores yet, no new graduating classes, but in 1 year discipline problems have gone down 60 percent. That is a pretty good leading indicator that that school is going in the right direction. There are still huge challenges, still a long way to go. But when you have a 60 percent reduction in discipline challenges, it makes me very, very hopeful about where that school is going.

Mr. KILDEE. Could we assign a certain percentage of how we would evaluate that attendance or the graduation, certain percentage of their total score to give them some incentive to work on that? Because some schools don't do a good job.

Secretary DUNCAN. There is a huge variation in these things. I am not sure if we should assign a percentage or not. But again, getting schools focused on what I call these leading indicators—attendance, truancy, discipline issues, trust, collaboration—those leading indicators are hugely predictive of where schools are going and getting much better focus. Again, my point, sharing best practices when folks are doing creative things to reduce truancy, to reduce dropouts and keep students more engaged, we need to replicate and build upon those best practices and reward that. We don't provide any rewards now in the current law. That has to change.

Mr. KILDEE. Let me ask you this. Can we address the fact that a subgroup may keep a school from achieving AYP without neglecting our responsibilities for those students who are in the subgroup?

Secretary DUNCAN. We can address that. Again, to me, it is so important that we take care of every single child. But if you have, sometimes literally, one or two children in one subgroup who are struggling, let's get them the help they need, let's give them the support they need, let's really look at what is going on during school, after school, at home. What can we do to help those students be successful?

But with the current law, you have to provide tutoring for the whole school. Like in a 1,500 children school, 1,498 might be doing pretty well. Let's target those scarce resources on the handful of children who need the help. So we can be much more thoughtful, have just much greater commonsense sense if we fix this law working together.

Mr. KILDEE. I appreciate the answer very much. Thanks a lot, Mr. Secretary.

Chairman KLINE. The gentleman's time has expired. Mrs. Biggert.

Mrs. BIGGERT. Thank you, Mr. Chairman. And welcome, Secretary Duncan. It is nice to see you again.

I hope I can make my question short. You have the Race to the Top program, and I think that came in where really the members of this committee did not really have much to do with it. It was kind of started and then presented to us. And I think that has bothered some of us. And then the competition that a lot of the States went through, and two were chosen and then ten were chosen. But it seems to be—and I didn't realize that there are so many States that are also adopting a lot of those reforms and moving ahead with them, even though they were not awarded any funding for it. And particularly, one of them was Illinois. And I didn't realize how much in depth that they had gone into it and how they were working with it.

How is that program going to work with the K-12 reauthorization? Is there going to be kind of a melding? Are we going to use the practices, the reforms for Race to the Top?

Secretary DUNCAN. So what we are seeing, again, it is so important I emphasize that we have heard repeatedly that Federal spending is 8 to 10 percent. And for less than 1 percent of what we spend on K-12, we had 41 States adopt college- and career-ready standards. For the first time in this country, a child in Massachusetts and a child in Illinois and a child in Mississippi are going to be held to the same standard. And I can't overemphasize how important that is long term for our children and for our country.

We have 44 States working together in two different consortiums on the next generation of assessments. We had about 3 dozen States remove barriers to innovative schools. We had some States—I learned this coming to Washington; I didn't know it before. We had some States that had laws on the books that make it illegal, that prohibited the linking of student achievement and teacher effectiveness. All those laws are gone. So the benefits went way beyond the dozen or so States that receive money.

Moving forward, if we are fortunate to receive another round of Race to the Top funding, we want to focus on the district level. We are seeing dramatic breakthroughs at the State level. We want to continue to have districts move in the right direction. And that is just one set of resources.

The Investing in Innovations fund is all about scaling up best practices at the local level. We were able to fund about 49 of those. We had 1,700 applicants from around the country, this huge outpouring of creativity. We want to replicate Geoffrey Canada's work and the Harlem Children's Zone, the community-level Promise Neighborhoods Initiative. So playing at the community level, at the district level, and the State level, we think we can continue to get these kinds of transformational breakthroughs that frankly we haven't seen for far too long in this country.

Mrs. BIGGERT. Do you think that all the K-12—and the reauthorization will involve a lot of that, and I know there are also concerns about national standards. Now, you talk about coalitions of States. So you are not going to become the superintendent of public education, and we are not going to be the school board?

Secretary DUNCAN. Absolutely not. Zero interest in that. And it would be a step in the wrong direction. This is all about States voluntarily working together. This has all been driven by courageous Governors, Republican, Democratic, courageous State school chief officers saying, we are tired of lying to children. We are tired of dumbing-down standards.

And not to take one more second, but this one, Congresswoman Biggert, is so important to me personally, because you and I come from one of those States that dummed-down standards. The standards got reduced not because it is good for children or good for education, but because it is good for politicians. And I am so thankful that Illinois is amongst those States that have raised standards and we are going to get out of the business of lying to children. We are going to tell them the truth in third grade and fifth grade and eighth grade and 11th grade. Are they truly college- and career-ready? And when I ran the Chicago Public Schools, we frankly stopped paying attention to a lot of what the State was doing, because we thought it was standing in the way of where we needed to go for our children.

Mrs. BIGGERT. And just one more quick question and that is on the homeless children, which you know I have worked a lot on. And I think the definition of "homeless" in the education agency is so important. And HUD has not quite gotten all of the same standards, so that we are seeing so many young, you know, from first to sixth, so many of the children are in these homeless shelters and are not really getting the education that they need.

Secretary DUNCAN. You have been a passionate advocate on this issue. I appreciate it so much. And as you know, unfortunately, the number of homeless students and homeless families is rising pretty significantly. I have a tremendous working relationship with Secretary Donovan at HUD. He has been a great, great partner in a whole host of areas and is doing some really creative things. I absolutely promise you to continue to work with him on this specific issue.

Mrs. BIGGERT. I appreciate it. I yield back.

Chairman KLINE. Thank you very much. Mr. Andrews, you are recognized.

Mr. ANDREWS. Thank you, Mr. Chairman.

Welcome, Mr. Secretary. Welcome back. And thank you for your continuing accessibility and openness to ideas. It is very much appreciated.

I share Chairman Kline's opinion that there is a better way for us to get to our common goal on gainful employment of assuring taxpayers and students that we are getting value for the dollar, and urge you to continue working with us, as you have. And I am appreciative for that.

I want to ask you about some questions on No Child Left Behind and what I hope is an equally collaborative effort to improve that law. Are you in favor of instituting a growth model for measuring AYP?

Secretary DUNCAN. Absolutely. We have to focus on growth and gain. And I am happy to go into some depth about why that is important. But that is critically important to moving the country in the right direction.

Mr. ANDREWS. Okay. I think that is something there is an awful lot of common ground on.

Secondly, on No Child Left Behind, your Department has been extremely helpful in calling together leading educators in distance learning and online learning, for which we are appreciative. I wonder what your thoughts were about including on the menu of school improvement options high-quality, duly accredited, online learning as one of the options that schools could look at when they are in the needs improvement category.

Secretary DUNCAN. It is a conversation we can absolutely have. It is just interesting; this morning I met with a number of the leading tech executives from around the country. And you know this as well as I do, that it is so interesting to me that this is another area, frankly, where education has lagged. Technology has transformed how we do business, it has transformed how we interact socially, it is leading to democracy around the world. And education, it is touched but is not profoundly changed. And I think technology, distance learning, engaging students not 6 hours a day, 5 days a week, but 24/7.

The school we were at yesterday with the President and Melinda Gates, they are sending home assignments on cell phones.

Mr. ANDREWS. Actually, the one thing that may get our kids to stop looking at their phones all the time. It is a pretty good idea.

Secretary DUNCAN. So I think we have been far too slow in education to learn and get the benefits of engaging students in different ways. And I think technology can play a huge role, particularly in tough economic times, of getting much better results.

Mr. ANDREWS. Many of the districts that aren't making AYP aren't making it because of deficiencies in Special Education. And there are two takes on why that is. The first is the schools aren't doing a good enough job in raising the achievement of classified kids. The second is the standards are really inappropriate for those children. Where would you like to see us go on treating Special Education under No Child Left Behind?

Secretary DUNCAN. Well, let me just say and repeat what I said in my statement, is I give the current NCLB law great credit for shining a spotlight on English language learners, on homeless students, on students with special needs. I think those are students who far too often got swept under the rug. And this idea of disaggregating data and looking at achievement gaps I am laser-like focused on, and we will absolutely continue. The bar, historically, far too often was lowered for students with special needs. I am all about raising the bar. I am all about raising expectations and holding schools, districts, States, accountable for much better outcomes for young people.

At the end of the day, it is not about this test score or that test score. If you look at unemployment rates for students who have special needs, once they leave, they are devastatingly high. And this is about having every single child, again regardless of ability or disability, have a chance to fulfill their potential.

Mr. ANDREWS. One of things I worry about is that it can actually add to the stigma of a special needs child if a child is held to an unrealistic set of expectations. And again, I am with you. I want that child to absolutely reach every ounce of potential he or she has. But if schools begin to feel like they are not hitting AYP because of unrealistic standards on Special Ed, I think it actually adds to the stigma for those children, which I don't think we want to do.

Secretary DUNCAN. Another reason to fix the law.

Mr. ANDREWS. Yes. Finally, just very quickly, the chairman made reference to the increase in education spending since you took over. If you had to guess—and if you want to do it for the record, go ahead—what percentage of that increase has gone into college scholarships, teachers of reading and math, direct services to children and students, and what percentage has been overhead?

Secretary DUNCAN. I don't have hard numbers. I would just say that my general principle is we have to continue to reduce overhead at our level, at the State level, at the local level. We have to get scarce resources to classrooms. We have to get scarce resources to the children in the communities who need the most help.

I think other countries—I have spent a lot of time studying the data of higher performing countries, and it is fascinating to look at the lessons learned. One of the things many of the high-performing countries have done is they have done an infinitely better job of closing the achievement gaps, of working with disadvantaged and poor children.

Mr. ANDREWS. I would just also note that they have done a better job at investing more in education than we have in some cases. And I thank the chairman and yield back.

Chairman KLINE. I thank the gentleman. Dr. Foxx.

Ms. FOXX. Thank you, Mr. Chairman. Thank you for being here today, Mr. Duncan. We appreciate it. I want to ask you a question also about expenditures. But before I ask the question, I want to say that I hope you will answer the question without implying something, as you did a little while ago.

You answered Mrs. Biggert's question, I think, by saying you have reduced 38 programs to 11 in the Department. However, you failed to mention that you have not cut any spending as a result

of doing that. You have no savings in reducing those departments. You are continuing to spend the same amount of money, or even more. So I have related questions.

Number one, we have spent about \$2 trillion in the Department of Education I believe since Title I was implemented, and yet we have seen reading scores go down. We have seen all kinds of scores go down. You can see it on the chart there. You see how spending has gone up, and yet we have achieved nothing. Do you have a single program in the Department of Education that you can point to measurable results as a result of spending from the Federal Government? Can you prove anything has come out of one dollar of spending from the Federal Government?

Secretary DUNCAN. Well, I don't think I can prove one dollar of spending did this. I can tell the outcomes for students with special needs have improved significantly. Outcomes for students who are English language learners have improved significantly. We are an investor. We are a co-investor at the State and local level. Again, only 8 to 10 percent of the money comes from us. Still huge gaps there. Still unacceptable gaps. But those have gone in the right direction.

So I think we have to continue to invest—your initial point is absolutely right. At a time when the President is asking to flat line domestic spending at a very tough budget time, he is asking for a \$2 billion increase in education spending. And he fundamentally believes, and I absolutely share the belief, that we have to invest, we have to educate our way to a better economy and better early childhood education, K-12 reform, more access to Pell grants.

Ms. FOXX. Let me stop you, though. Tell me where you have had success that justifies that—other than in special needs. You have pointed that out, but can you point to Federal dollars creating the success? That is what I am asking.

Secretary DUNCAN. Again, we don't just fund any one program ourselves. We co-invest with States and local districts. But there are lots of places—not just special needs, but Title I schools where you are seeing remarkable results. I can point you to hundreds and hundreds of schools that are 99 percent poor, 99 percent minority, where 95 percent of young people are graduating and going to college, preparing to be successful. And our resources are helping to create those opportunities. Absolutely.

Ms. FOXX. I will wait to get some specific information from you. Thank you.

Chairman KLINE. The gentlelady yields back. Ms. Woolsey, you are recognized.

Ms. WOOLSEY. Mr. Secretary, can you give us a little bit more. I have two subjects I am going to try—2-1/2 and 2-1/2 minutes on each. Is there more detail you can provide us regarding rewriting of ESEA and how we are going to fund through State and local education agencies the proposed effective teaching and learning for a well-rounded education program? I am specifically interested in core subjects like music and arts and worried that they will be grouped with other non-tested subjects and hoping that each subject will get their own share of Federal funds so that schools will actually have an incentive to educate the whole child.

Secretary DUNCAN. Great question. And it is arguably the biggest complaint I have heard as I have traveled the country from students themselves and parents and teachers, is a narrowing of the curriculum under NCLB. And I have heard it urban, rural, suburban, you name it. So we actually want to invest about a billion dollars behind what we call a well-rounded education. And I think reading and math are fundamental, are foundational. But science, social studies, history, foreign language, environmental literacy, financial literacy, dance, drama, art, music, physical education, art students desperately need and deserve a well-rounded curriculum, well-rounded education and we want to put a billion dollars behind that.

And let me just say one more thing. To me it is so important that it not happen just in high school, but it happens as first and second and third graders. So our students start to develop their sense of self esteem, they start to figure out what their passions are. And, if we are serious about reducing dropout rates and having many more students be successful and be engaged and closing the achievement gap, we have to do it through a well-rounded education.

Ms. WOOLSEY. That is good to hear. Second subject. I would like to talk about—and I am really pleased that in the President's budget request, he has asked for \$150 million for Promise Neighborhoods. This is an issue that is very important to me and has been for a long time because so many of our kids go to school not ready to learn. And we know they go to school hungry, they need medical care. They don't have help with their homework. So tell me how is this program going and how are we encouraging more schools and communities to come together so that they actually can provide these community services and have them located at the school site or someplace convenient?

Secretary DUNCAN. So like Race to the Top, like Investing in Innovation Fund, I am just absolutely convinced that Promise Neighborhoods has unleashed this huge amount of creativity. We funded this past year about 20 communities for planning grants. We had over 300 communities apply. So you have folks coming together, nonprofits, social service agencies, faith-based institutions, K-12 districts, higher education, coming together saying our children deserve so much better. I desperately wish we could have funded 200 of those 300. We had money to do 20. So the \$150 million we are requesting from Congress will help us move from planning towards implementation. We will open that up to the country. And I promise you we are going to have hundreds and hundreds of applicants. We only want to work in our Nation's most distressed communities and to give those children a chance to get a great education, to rally the entire community behind that effort. And again, just like Race to the Top, obviously the vast majority of communities we were unfortunately unable to fund in planning. Many of them are moving forward without our dollars. Brought them to the table, brought them outside their comfort zone, they are working together. And that, in and of itself, has been absolutely invaluable.

Ms. WOOLSEY. And I am sure you are able to track how much is saved in the long run by providing these services close at home. So I think I have time for one more subject and that is STEM edu-

cation for girls and minorities, Mr. Secretary. And we know young girls and minorities are losing interest in science and math at a much too young an age. They are not choosing to pursue more advanced classes in high school or careers in these fields. How do you plan and how do you propose effective teaching and learning for science technology, engineering and mathematics programs? How are we going to increase this interest? Because that is the future of our country.

Secretary DUNCAN. Yesterday the President and I and Melinda Gates were at TechBoston, which is an amazing high school in Boston. The vast majority of children live below the poverty line, come from very tough communities. 95 percent—huge graduation rates. The vast majority of graduates are going on to college. An amazing STEM focus. So there is a \$206 million budget for effective teaching and learning to support the STEM area. We have \$80 million specifically to help prepare and retain STEM teachers. There is a \$185 million request for new presidential teaching fellowship program that would help talented students who attend top tier teacher preparation programs to go into a high needs field like STEM. We have a huge focus on STEM through the Investing in Innovation Fund. And we want to put many more resources into R&D to continue to learn in this area.

But at the end of the day, the President has given us a simple challenge. He wants us to recruit, attract and retain 100,000 new STEM teachers as we move forward. We have this baby boomer generation retiring. The only way we do a better job of reaching women and girls is making sure we have many more teachers—again, not just in high school, but in those primary grades who have a passion and a love for STEM education, working through traditional pathways to increase that number. I am also a big fan of alternative certification. I want more folks who know chemistry, who know biology, who know physics coming in to do this work. And we want to fund places that are going to be innovative in bringing in that next generation.

Ms. WOOLSEY. Well, we look forward to working with you on that.

Chairman KLINE. The gentlelady's time has expired. I am always so excited when I hear you talk about alternative certification. Dr. Roe is recognized.

Mr. ROE. Thank you. And I want to thank the Secretary for being here. This is the fourth time and I have seen you, more than any of the other Secretaries and I appreciate your passion for what you do—I truly mean that—and what you try to do and did some great things in Chicago.

I have a son that lives there. He speaks very highly of you. So thank you for that. You have probably one of the hardest jobs in America, I think. One of the things that I have done when I have gone to rural East Tennessee where I live is go see my teachers. I thought doctors were frustrated. You are go get 40 or 50 teachers together and you are going to get your ears pinned back. Part of the reason is because in all of the bureaucracy that we have created, that—the hoops they have to jump. And remember I am in a Race to the Top State, Tennessee. We were 1 of the 2 States that were selected. And we are in the process—I had the teachers ex-



plain to me, what does this Race to the Top mean to you and how is it helping you when you are teaching in the first grade, when you are teaching in the second and third grade.

I really couldn't get a good explanation from the teacher who was actually being observed. And this is the graph that I think that concerns me the most. We are going to have an 11 percent increase in spending as proposed in this budget. And I was a mayor of Johnson City, Tennessee before I came here. And you are absolutely correct, there were days if I could have written the Federal Government a check for the money they sent and put into the 1 percent we got in our community because the city, the county and the State put the money in—it was a very small amount. But the teachers spend an inordinate amount of time qualifying. This is the graph that bothers me. Right here is the increase in Federal spending and yet the outcomes—we are not getting anything for our money. So I think the accountability—and right here when you see more and more and more spending, but we are not getting any results for it.

Secretary DUNCAN. So, a couple of thoughts. First of all, I think Tennessee has a chance to not just transform education in the State, but to help lead the country where we need to go. I have tremendous confidence in your new governor. He is passionate on this issue. He just, in the past couple of days, appointed a new State superintendent who is a nontraditional candidate, Kevin Huffman, who I have tremendous respect for and actually met with him earlier. I think he is going to do a great job. So I am very, very hopeful about where the State can go and where the State can help to lead the country.

On your historical point sort of for the country, does more dollars absolutely equate to better outcomes? Of course not. So to me what we try to drive from day one is this combination of investment, but investment not in the status quo, investment in reform. And whether that is at the early childhood level, whether it is at K-12 reform, whether it is trying to increase access and completion rates at the higher end, it can't be investment in the status quo with a 25 percent dropout rate.

Mr. ROE. I think Congresswoman Woolsey may have mentioned it. But I think if a child can't read by the third or fourth grade—I mean, all the teachers that were patients of mine through the years could predict who was going to drop out by the 4th grade. And if we can do that, then that is where we ought to emphasize instead of worrying about all these other things. Because if you are never going to graduate, you know that by the time you are 10 years old, that is where you need to invest the money.

The other frustration I had in hearing something was we have 96,000 schools in America. I think I heard this testimony last year or the year before last. And 2,000 of those account for 50 percent of our dropouts.

Secretary DUNCAN. So a couple of thoughts. Your basic point on early investment I couldn't agree with more. If we can have our babies, our 3- and 4-year-olds enter kindergarten ready to read and ready to learn with their socialization skills intact gives us a great opportunity. Also, we have to invest early and try and level playing fields. I just urge you not to give up on those children who are be-

hind. I spent a lot of time in Chicago working in a tough community with teenagers who started way behind and just hadn't had the opportunity and caught up pretty quickly when challenged and with real support. It is much tougher work. I would love to get us all out of the catch-up business. And we have to do much better at the early side. But where students don't have those opportunities, we still need to provide a chance for them to get better.

Mr. ROE. I totally agree. I think one of the other things that I have with this frustration is that so many teachers—half of our teachers who graduate from college don't teach in 5 years. And there is a reason for that. And I think part of the reason is—well, there are many reasons I am sure. But all the paperwork that really doesn't add anything to the classroom, I am very frustrated about that.

Secretary DUNCAN. Again, I just urge you to hold us accountable and push us. Everywhere I go, I ask teachers, principals, superintendents, State superintendents, tell us what we are doing to get in your way, tell us what requirements—there is a series of reporting requirements that were duplicative that we have already changed. We are trying to get better here. But if you think about the teacher, they are hit at the local level, the district, they are hit at the State, they are hit by us. It is too much. And we are trying to lead by example. And again, the more you can challenge us to get rid of duplicative or nonhelpful paperwork, we have to do that. We have to do that.

Mr. ROE. Thank you. I yield back.

Chairman KLINE. I thank the gentleman. Mr. Hinojosa.

Mr. HINOJOSA. Thank you, Mr. Chairman. Secretary Duncan, it is always a pleasure to have you testify before our committee. I commend you and the President for the tremendous work that you all are doing investing in education these couple of years that you have been heading the Department of Education. I want to ask my question that is easy and doesn't cost much money, and that is, that there are some school districts in the Great State of Texas that start school early August, not after Labor Day. And you spoke about increasing school average days of attendance above 90 percent, maybe 95, 97, which is being done today in some of my school districts in my congressional district. So I know it is doable. But if we could give the flu shots to the students in early August as well as the teachers and maybe even the staff that serve them in the cafeteria and drive the bus, I think that we have fewer children getting sick and more being able to attend. That should be easy and the same cost that we do it in August versus doing in October. Is that something you can support?

Secretary DUNCAN. Absolutely. And I have worked very, very closely with Secretary Sebelius on a number of health-related issues and H1N1. I thought she did a remarkable job. And if we can get students' immunizations earlier, it makes all the sense in the world.

Mr. HINOJOSA. I will send you a memo to this effect because we need it in Texas. I also want to say that I believe that our Nation must do more to expand accessibility and affordability to be able to access higher education. What is your vision for HSIs, HBCUs, TCUs and other MSIs? What types of outcomes do you expect for

the next 10 years? And what is your time line for the upcoming STEM grant competition?

Secretary DUNCAN. So our HSIs, our HBCUs can't simply survive. We have to help them thrive. And so we continue to invest very significantly in them. Obviously the Pell grant increases are very significant to those populations. We direct fund HSIs and HBCUs and have increased that funding over time. We want to put in place the Hawkins Scholarship Program, about \$40 million, to get great teachers coming out of the HSIs.

And so many of our teachers of color come through HSIs and HBCUs and I desperately want a much more diverse teacher workforce than we have today. Our teachers, our administrators don't reflect the amazing diversity of our Nation's students. We are to work on that. So we are going to continue to invest very significantly in HSIs and HBCUs. And I see them as real partners in driving where we need to go. The final thing I will say is I have visited a number of them and continue to go out to recruit more teachers of color to come into education because I think frankly, many traditional schools of education haven't shown much creativity or leadership in this area.

And obviously HSIs and HBCUs are a natural phenomenal pipeline of great teacher talent for our Nation's classrooms.

Mr. HINOJOSA. I commend you what you have done in this last 2 years in increasing that funding because it definitely exceeds what we did in 1946 with the GI bill. So I commend you. But now we need a timeline to be able to get into the competition and get to that money and recruit students into colleges. The last question, if I still have time, would be that I reintroduced H.R. 778, the Graduation Promise Act because I believe that we must invest and transform our Nation's dropout factories. The question is, how do you propose to build the capacity of our Nation's lowest performing high schools and middle schools?

Secretary DUNCAN. This is where the school improvement grants are so important. We stated earlier for this horrendous dropout rate that the country faces, it is actually—we have about 100,000 schools. Only about 2,000, 2 percent of our schools produce half our Nation's dropouts and 75 percent of our dropouts from the minority communities are African American, Latino young boys and girls. So with a massive investment, not in the status quo, but this idea of reform, we have about 1,000 schools for the first time in this country, we have about 1,000 schools that are being turned around as we speak. And we have to continue to challenge the status quo. We have to continue to invest. And unfortunately, as you know all too well, Congressman, in many communities, these schools have been dropout factories for years, 2 years or 5 years. It has often been for decades. 10, 20, 30, 40, 50 years. And this has not gotten a lot of media attention because it has been a lot of hard work without a lot of controversy.

Every one, school leaders, union leaders, superintendents, school boards, everyone is moving outside their comfort zones and doing some very, very different things for students. And all of these turn-arounds, they won't all be A's. Many will be fantastic. Some will be okay. But for the first time, our country is showing courage in

doing this work. And it makes me so hopeful about where we can be 3, 4, 5 years from now.

Mr. HINOJOSA. Thank you, Mr. Secretary. My time has expired.

Chairman KLINE. I thank the gentleman. Dr. DesJarlais.

Mr. DESJARLAIS. Thank you for being here, Secretary Duncan. Thank you, Mr. Chairman. I know by this point of the discussion, a lot of these questions may be somewhat repetitive, but I think there is some important points to continue forward. The Department of Education doesn't seem to be the only Department that has a draft like the one we saw with the increase of spending without actual results. And it is refreshing as we sit in this committee today that it does seem to be a fairly bipartisan discussion. One thing I think my colleagues might agree on that has come up a few times today is that maybe one of the biggest impediments to learning is the politicians and the Federal Government. So it is kind of interesting to maybe stop and take a look at that, that we have increased spending, the Department of Education has been with us for over three decades and we are not really seeing the outcomes.

And one thing that we haven't really focused a lot on today, we have touched on it a little, my colleague from Tennessee also mentioned that where do teachers come into the picture here. And we had a panel a couple of weeks ago where we asked them what were the top three things they are hearing from teachers. And certainly with your travels around the country, I am sure you get an earful. What would you say are the top three concerns that you are hearing from our educators?

Secretary DUNCAN. Let me just go back to one more point on the results that we have seen on the NAEP results, pretty significant gains in math scores over time, but we are not again, not at the same levels of other countries. So we are at a competitive disadvantage and have to keep getting better. Complaints from teachers, this idea of a well-rounded curriculum I talked about.

This narrowing of the curriculum is a huge challenge that teachers really struggle with. I haven't met a teacher yet who is scared of accountability. They just want it to be fair. And this idea of growth and gain is a huge one for them. If you are my teacher and I come to you three grade levels behind and I leave you a grade level behind, you have done an amazing job with me. You are an unsung hero. And under current law, you are labeled a failure, the school and ultimately the district is labeled a failure. You have accelerated my learning. So we have to focus on that. And then teachers want—they want to be held to a fair standard but then they want the room to be creative, to hit that higher bar.

So again for me that tradeoff is where is the high bars, I have much more flexibility at the classroom level, at the school level, the district level. If it is not working, then we have to look at that. But room to move, better accountability and a well-rounded education I think are amongst the tops of the complaints I hear from great educators.

Mr. DESJARLAIS. I think that is fair. I think that the teachers I have spoken with would echo those sentiments. As a physician, I get to spend a lot of time in the examining room having conversations about teaching. And I would just add to more succinctly and maybe not as eloquently as you put it, but one of the concerns—

and you mentioned it earlier—was lack of discipline in the classrooms. And I thought it was interesting that you said that a school in Miami showed an improvement in the discipline problem and therefore it was headed in the right direction.

So perhaps there is an area of focus. I am certain to hear from the teachers that are frustrated that they can't control their classroom. And a second thing is that they seem to be lacking a little bit in terms of pride in their profession and I think that is because of the bureaucracy and regulation.

So if we have frustrated teachers, we may have less effective teachers. And so I think that in a sense they feel handcuffed and that lack of flexibility,—I appreciate you want to see more flexibility. But I know, like, in Tennessee, they have to teach to the standardized testing or the TCAP and they have a lot of pressure put on them by the administrations to make those numbers the way they should be. When we were kids, a standardized test was something you came in from recess, they dropped it on your desk, told you to take it and now they are actually teaching to these tests. Do you think that is an effective means of measurement?

Secretary DUNCAN. Again, if you are teaching to a test, the best way students do well on any exam is to give them rich content and to have them be creative in doing that. So again, when the curriculum gets narrowed, when you are teaching to the test, that is not good for children, not good for teachers. Again, having a high bar, being real clear about that but giving teachers lots of room to move to hit the higher bar, to be creative is hugely important. Your other point, I think, is so critically important, it is absolutely true that the teaching profession in education in general has been beaten down. And we have to reverse that. We have to elevate the profession. We have to strengthen the profession.

In our high performing countries around the globe, teachers are revered. In South Korea, teachers are known as nation builders. It is a really powerful concept, one I have thought about. Our teachers have to be believed to be nation builders. We lose far too many of our good young teachers due to bureaucracy, due to lack of support, due to difficulties of classroom management skills. And I think the only way we are going to get where we need to go again and lead the world is to recruit and retain the hardest working, the most committed young people to come into education. Other countries have done this systemically. We haven't and we can get better together at it.

Mr. DESJARLAIS. Thank you. I appreciate your comments. I yield back my time.

Chairman KLINE. Thank you. Mr. Tierney.

Mr. TIERNEY. Thank you, Mr. Chairman. Mr. Secretary, how are you? I am sorry I wasn't able to be with you yesterday in Massachusetts, but I appreciated the visit on that. I cannot help but say I think everybody is interested in eliminating waste, fraud and abuse and duplication. And I commend the fact that you and the President have been spending considerable time trying to make sure that those are eliminated in the education budget. But I also think that sometimes we have cut beyond those areas and into the bone because both the White House and Congress failed to have,

I think, the courage to take on a larger issue of making sure that people pay their fair share.

At the end of last year, at the end of 2010, this Congress and the White House allowed for a continued tax break so that people weren't paying their fair share, \$800 billion over 10 years. We have \$700 billion in tax expenditures to corporations every year. We have the lowest effective tax corporate rate of all the OECD countries on average. Google paid 2.4 percent effective tax rate last year, the do-no-harm first company. GE and Boeing paid no taxes at all in the last several years.

So while we are here debating eliminating or reducing seriously some very important programs, there was a real lack of courage, of profiles in courage on a number of occasions and I think we are going to have to find some if we want to do it. I think Governor Martin O'Malley yesterday in testimony before our subcommittee—full committee rather up in Maryland made a good statement. The balance is wonderful; but if you are on a bicycle and you are trying to balance standing still, pretty soon you are going to fall over. You have to pedal forward. And if we want to be competitive in this country, we had better pedal forward to make sure that we outdo China, Germany and other countries to get there.

One of the ways we do that is by making sure we have a sound investment in education. And Pell grants and Pell scholarship money is one area along that. So it is of great concern that we see H.R. 1 eliminating about 9 1/2 billion college students—\$800 a piece, a reduction in the Pell grant. 135,000 in my State of Massachusetts. Another 1.7 million low-income students aren't even going to qualify for Pell grants if that cut is maintained.

That is about 20 percent of the current people. So it is a great concern there. But there is also a concern amongst many and me about the administration's proposal to eliminate the availability of Pell grants for those that are pursuing summer studies. I know there is some that mention it hasn't been shown to speed it up yet. But it hasn't even been in place long enough for people to get an associate's degree, 18 months or less. If we are going to compete with China and other countries on that, we have to get people able to get through and get that degree to be able to get back to work or get out to work in the first instance. Can you tell us how you expect to meet that need, while at the same time eliminating that program?

Secretary DUNCAN. And I really appreciate your thoughtfulness on this. So where we scaled back \$800, \$900 on Pell grants, that just means there are a lot of young people who are working hard who come from families who are struggling financially who have to drop out of school. And what is amazing to me, which we haven't talked about here, which I am sure you guys are aware, that at a time of high unemployment, we actually have a couple million jobs in this country that go unfilled every single day because we are not producing the knowledge workers who have the skills to fill those jobs. And the President and I met with a number of CEOs 2 weeks ago and it is amazing to hear how many CEOs are trying to hire now and there simply isn't the talent that we are producing K-12 and through higher ed to fill those jobs.

So any cutback to Pell would have a devastating long-term impact on our economy and our ability to compete. And jobs and companies and corporations, they are simply going to go where the knowledge workers are. And it is going to be in our country or it is going to be in other countries. And we are either going to put ourselves in a competitive advantage or we are going to continue to lose not the low skill jobs, but the high skill jobs which are really the jobs of the future. So we have to continue to invest there.

Obviously, the decision to say no to Pell grants—again, you can use the one Pell grant for summer—is not one that I enjoyed or wanted to make or felt good about. It is simply in very tough budget times trying to make a decision to preserve the \$5,550 for the vast majority of people who use those Pell grants and by eliminating the second one is a savings of about \$7 billion. But in an ideal world, would I choose to do that? Of course not.

Mr. TIERNEY. Just to remind you, Mark Canter, which is a student aide expert, tells us just to increase the Federal income tax revenue from increasing the number of college graduates would pay for the cost of doubling Pell grants. So we look forward to that. Let me ask you one last question while I still have time. In the Higher Education Opportunity Act in the House, I put in a provision, and Senator Kennedy put it in the Senate with respect for model transition programs for students with intellectual disabilities in higher education.

I know the chairman has a concern about that as do many others. It is only \$11 million. And the fact of the matter was for model programs to move on, and particularly community colleges who have a disproportionate number of students challenged that way. We are going to put those models together. Is there some way the administration could take another look at that? Because there is a serious need with children aging into that grouping that need to be able to have a sustainable way to get through life.

Chairman KLINE. If I may, the gentleman's time has expired and we would love the answer for the record if we could, Mr. Secretary.

Secretary DUNCAN. I would be happy to look at it.

Chairman KLINE. I thank the gentleman. Mr. Hunter.

Mr. HUNTER. Thank you, Mr. Chairman. Mr. Secretary, great to see you. Love your name. Question. Mr. Tierney was just talking about taxes and about how much we are spending. In comparison to China, if you add State, Federal and local spending on our end here, we are paying more per kid than I think any other nation if you add everything together. I don't know the answer to this question.

What is more, I am not supposed to ask questions I don't have the answer to. But I am pretty sure that we pay more State, local and Federal than any other country does. So tell me, what is the real correlation, then, between spending cash and getting good results in education? When if you look at a model like China or any other country—Germany was mentioned—any other country you throw out there—obviously their structure is different. South Korea, they probably have a different structure.

So it is not about money, then, in that sense and just increasing funding into the future forever. What is it then? What is the correlation?

Secretary DUNCAN. Again, to be very clear, I am not pushing more investment in the status quo. I am pushing more investment in a very different vision of where we need to go. So a couple of things. I think the investment in early childhood education—I can make a very compelling case to you that that is the best investment we can make and the dividend is long-term and the ROI and the savings to society are huge.

What you see in other countries is, I think, they have been smarter, more strategic in how they invest. I think other countries have done a much better job of targeting the students in the communities that need the most help and have done much better there. And I think we have to continue to increase access to higher education.

And again, there are just so few good jobs out there, if any, if you just have a high school diploma. So it is not looking for investment in the status quo. I would never advocate for that. I am advocating for significant investment in a very different vision of what this country needs to do.

Mr. HUNTER. But that means, though, that we are still going to be spending more per kid and we are not seeing any correlation between that spending and the actual results. So why not just change the entire structure, then, if we are going to do that and reinvest the money that we already have into a different system? Which is what you are doing and what we are trying to do here. But why increase it at all? Because if you were to somehow even cut and find some savings, then we could talk about Pell grants and things like that.

Secretary DUNCAN. So again, you and I may disagree on it. I think going forward we are going to see many more young people trying to go to college, trying to get some form of higher education, 4-year, 2-year, 10, 20, 30 years ago you didn't necessarily need that. I am from Chicago. You could graduate from high school. You could drop out of high school and go work at the stockyards, the steel mills and get a good job and own your own home and support your family. As you know, all those jobs are gone.

So in a knowledge-based economy, more and more not just 18 year-olds, but 38-year-olds and 58-year-olds are going back. And so our Pell grant requests have gone up very significantly.

Mr. HUNTER. Which I understand. I understand all this. But talking about K-12, if it is the structure that really matters and it is not increasing funding for a bad system, why not just take away the bad spending, if you will, those things that you don't believe in and restructure and reinvest as opposed to right now trying to get more funding which would increase funding per kid, which has not been proven has any correlation whatsoever to the results?

Secretary DUNCAN. What I would argue is that with the increased investment in the opportunity to drive systemic change, you are seeing breakthroughs you have never seen in the history of the country.

So again, 41 States raising standards for the first time ever, voluntarily, college and career ready standards, not dummed down standards, 44 States working together on this new generation of assessments, about 3 dozen States eliminating barriers to innovative schools, every State eliminating laws that prohibited the link-



ing of student achievement and teacher evaluation, all of that happened, in part, due to our ability to reward great behavior. And we want to be able to do more of that going forward.

Mr. HUNTER. Would you say, though, that we are still spending on bad along with the good?

Secretary DUNCAN. No question. We have to continue—on every single dollar. So we handed out to governors last week—in very tough budget times, you have to make tough calls. We handed out a document that we are happy to share. There are smart ways to cut and there are dumb ways to cut. And I worry a lot about in very tough budget times folks making decisions that exacerbate the challenges that we have.

Mr. HUNTER. Could you see being successful—if the amount of funding does not go up, could you still be successful if you cut the right way and put the money into the systems that you know work? Could you do that?

Secretary DUNCAN. We have to do that anyway, but I continue to think we underinvest. And it is actually interesting. We underinvest relative to the high performing countries. We underinvest significantly in the most disadvantaged children communities relative to higher performance.

Mr. HUNTER. Thank you very much, Mr. Secretary, for your testimony. Thank you, Mr. Chairman.

Chairman KLINE. I thank the gentleman. Mrs. Davis.

Mrs. DAVIS. Thank you, Mr. Chairman. Thank you for working so closely with the committee. Despite the overwhelming evidence that teachers matter most when it comes to student learning, low-income students and minority students receive less than their fair share of access to the best teachers. We would wish that even the most ordinary teachers could become extraordinary. And I think that is the goal in any system, to do that. But the reality is that as long as there are inequities in the quality of teaching from classroom to classroom and school to school, we are still going to see gaps in the achievement, and it is tough to close that gap. And you mentioned that earlier, and the distribution of effective teachers. I am wondering, in the budget itself, how can we look to that and see also in the ESEA blueprint what prompts States and districts to ensure that the students who need the strongest teachers most have access to those teachers?

Secretary DUNCAN. So again, this is just such a huge issue. I so appreciate you bringing it up. Because what other countries, other higher performing countries have done is they have systemically solved this problem—not totally—but in a much more thoughtful and comprehensive and systemic way than we have in this country. Other countries have put in place great incentives for the hardest working and most committed to go to the toughest communities, to give them the support they need and they retain them there. We have had almost no incentives, and frankly, lots of disincentives for the most committed, the hardest working teachers and principals—you have to have the principals as well—to go to underserved communities, be that inner city, urban or rural. And we can't talk honestly about closing the achievement gap if we don't talk about closing what I call the opportunity gap. And we have so many examples of high poverty, high performing schools where students are

routinely beating the odds because they are getting great talent there. How do we do it? Two concrete ways. One is obviously—we have talked about some today—is the school improvement grants and a huge investment in these lowest performing schools.

And what I have said very publicly is if your community has not been able to attract a great math and science teacher, use our resources to do it. 10 grand, 15 grand, 20 grand. Pay that great math and science teacher more to come and give them the support they need. Not everyone agrees with me on that. I don't see how our students take AP calculus and physics if they don't have those kinds of teachers. If you have to pay a great principal—pick a number, 25 grand, 30 grand, 50 grand—to go to an underperforming community, use our resources to do that. We have the teacher incentive fund, which is we go out on a voluntary basis to communities. We have dozens and dozens of districts now that are being very creative and starting to look at this. I will give you one last example.

The district that I think systemically has done this better than any others I have seen is Charlotte-Mecklenburg. They have about 20 schools that historically, chronically underperformed. They are, year after year, putting the best talent into those schools. I met with a set of teachers and principals who have taken on this work. I will never forget what one of the principals said to me. He was a star principal in the district, was about to retire, was given this opportunity to go to a really tough school, which most people run away from. And he said to him, he said this is the most moral and ethical work I have ever done in my career. I am so thankful to have the opportunity. And to me it is such a profound statement, the most moral and ethical work he had ever done. So they are systemically through incentives, through awards, through support getting great talent.

Mrs. DAVIS. For those schools that are not applying for grants or their schools or their States are not applying for grants, trying to—obviously there are so many schools that are not in that position or choose to do that, how do we do that? And it ties in with evaluations, of course, as well.

Secretary DUNCAN. The school improvement grants go out formally to every State. So every State we give that money to and say you figure out who your bottom 5 percent of schools are and you figure out—if you need to do more—teachers do that. If you need to go to school after school, if you need more time, you have to go to school on Saturdays, if you have to go to school all summer, whatever it takes, more teacher planning time, more awards for teachers, whatever it takes, use our resources to do that. And that went out by form to every single State in the country.

Mrs. DAVIS. Are there some outside—I don't know if I want to call them—validators or mediators, if you will, who can help schools to do this sometimes when there is a lot of resistance in the school community? What do you suggest? What have you seen as best practices?

Secretary DUNCAN. As a country frankly, we are in our infancy. And I am so proud that historically there are literally a handful nationally, a handful of schools that are turned around. This school year, there are about a 1,000 schools that are being turned around. So we are starting to build a community of practice. We are start-

ing to learn what works and what doesn't. And you are starting to have some critical mass doing this work. And we want to do more every year and come back and come back and do more. But if we can turn around that bottom 5 percent of schools in this country over the next 3 or 4 or 5 years, the difference that is going to make not just for those children, but those entire communities that have been underserved is huge.

So there is growing awareness—again, amazing courage that I have seen. Union leaders, district superintendents, school board members doing some things very, very differently. And so I am—5 years from now, we are going to be in a different place.

Mrs. DAVIS. And how is that being shared? They can find this out in—

Chairman KLINE. Excuse me. The gentlelady's time has expired. Secretary DUNCAN. We will continue—

Chairman KLINE. I thank the gentlelady. It is Mr. Barletta.

Mr. BARLETTA. Thank you, Mr. Chairman. And thank you, Secretary Duncan, for your time here today. Last month, this committee heard testimony from Mr. Andrew Coulson from the Cato Institute on the lack of any meaningful return on our investment of Federal funds, with one notable exception, the D.C. Opportunity Scholarship Program. Yet this administration has not supported that successful program and put forward a budget proposal that increases spending on all of these other programs that have not significantly improved student achievement.

When our Nation is facing inconceivable debt levels and the taxpayers of this Nation have been clear about Washington getting its fiscal house in order, my question is, how can we afford to ignore successful programs like the D.C. choice and instead keep pouring money into costly programs that haven't shown any results?

Secretary DUNCAN. So on the D.C. scholarship program, we actually supported keeping students in the existing program. We didn't support adding more students. If you actually look at the data, the data was a little bit mixed. And I will go back and look. And it was either in reading or math, in one area student performance went up and the other one did not go up significantly. And what I said repeatedly is that if the private sector, individuals, businesses, philanthropy want to help scholarship students, I absolutely support that.

Our goal has to be I think, frankly, more ambitious. We have to give every single child a great education. The school improvement grants here in D.C. are transforming entire schools, not just saving 2 or 3 children from a tough school and leaving the other 500 to drown. I think the D.C. school system itself is absolutely going in the right direction. A long way to go, but real progress. And my goal has to be to help every single child and have a great system of public schools so that we just can't go to bed and be comfortable at night having saved a couple and left the rest to drown. That has been the mentality. What is staggering to me quite frankly, Congressman, is that for decades, the D.C. public school has been an absolute disaster. In the Nation's capital, we allowed that to exist, to be the status quo. And you have seen more progress in the past couple of years in D.C. than you have in a long time. And we want

to make D.C. a world class school system. And I think we have an opportunity to do that with local leadership.

Mr. BARLETTA. Thank you. I yield back the rest of my time.

Chairman KLINE. I thank the gentleman. Mr. Loeb sack.

Mr. LOEBSACK. Thank you, Mr. Chair. Mr. Secretary, good to see you today. Thanks for being here. I really appreciate almost everything—not quite everything—but almost everything or at least much of what you and the President are trying to do on the education front, all the way through preschool through secondary education and even graduate school for that matter. I am happy as an Iowan that when it comes to Race to the Top, you do have a rural carveout that you mentioned. I am looking forward to seeing the details of that. Because as I think I have communicated to your Department, the last couple of years it has been very, very difficult for States like Iowa, especially those rural school districts that don't have grant writers, don't have resources to participate in the program such as Race to the Top. Also, I am happy that over the course of the last several years, we have had a lot of discussions and you seem to be implementing some of the changes that I think a lot of us are recommending for NCLB, certainly moving to multiple measures of achievement. I think that is much more important and much better than high stakes test and being more flexible when it comes to subgroups.

I think that is really important too. And growth models. When I first came to Congress, for the life of me, I could not figure out why the original law was comparing one group of students one year in a grade level to another. It was apples to oranges. It didn't any make sense to me. Growth models I think are very important.

But really what I want to talk about today more than anything else is the Pell grant program, and in particular, the year-round Pell grant program and the proposed cuts that you folks are making to that program. Because in your fiscal year 2012 budget, you propose to cut the year round Pell grant program. I think this program, this is a significant one for a variety of reasons. I think first and foremost, Pell grants in general help people in poverty rise into the middle class, become more productive citizens. Education does that anyway, but in particular for those who get Pell grants.

Last year around the country, the first year of operation, 2009, 2010, about 760,000 students nationwide took advantage of access to financial aid over the summer in order to graduate faster and to come out of college with less debt. I think it is making a big difference, especially in community colleges. As you know, there are many community colleges such as Kirkwood Community College in Cedar Rapids, Iowa, where they have nursing programs or other programs that really are in effect over the summer.

So for students to be able to access Pell grants in the summer I think is really, really important. I just think this doesn't make any sense to cut year round Pell grants for a variety of reasons. I guess what I would like you to do, if you could, is just give us some rationale as to why you are cutting that program.

Secretary DUNCAN. So again—you are echoing Congressman Tierney's real concerns and I share those concerns. So I am the biggest champion you are ever going to find for increasing access to college and increasing Pell grants. As you know, through health

care reform, we got an additional \$40 billion for Pell grants over the next decade, the biggest increase since the GI bill, frankly, one of the things I am most proud of that we have accomplished in the past 2 years.

So in an ideal world, we wouldn't have made that recommendation. At a time of extraordinary budget pressure, we made the tough decision to really fight to maintain current levels of Pell grant funding, not see that 5,550 cut back as some have proposed. And we made the tough decision that in order to maintain those efforts for every single student, to scale back on the twice-a-year program. I will say that at the community college level, that 5,550 for the vast majority of community colleges basically means that, again, whether you are 18 or 48 or 68, you can basically go to community college for free. And we think that is so important. We want to invest an additional \$2 billion in community colleges. We think as families get back on their feet, the country gets back on its feet, the community colleges are going to be the huge vehicle to do that. So it is not a decision that we wanted to make or made lightly or didn't understand the ramifications. We are just facing tremendous budget pressure and made a very tough decision.

Mr. LOEBSACK. And I went around my district for a week a couple of weeks back and I went to community colleges throughout my district, all of them. And I can tell you the students, not just the administrators, but the students are also very aware of these proposed cutbacks, very concerned, of course, about fiscal year 2011 and H.R. 1 and what that is going to do in terms of the \$850 cut in Pell grants right now during this academic year. But the summer Pell grants, the year round Pell grant program, I just can't reiterate strongly enough the testimonials I have heard from students and administrators and teachers, especially at community colleges and how important that is.

And again, after all, if what we are trying to do is increase the size of the middle class and have more productive citizens and have a more educated citizenry, then I just think that—at least I hope you will reconsider that cut.

Secretary DUNCAN. I absolutely hear and I share your concern.

Chairman KLINE. The gentleman's time has expired. Mr. Thompson.

Mr. THOMPSON. Thank you, Mr. Chairman. Thank you, Secretary. It is good to see you. I appreciate your testimony. I appreciate reading within the testimony all—out of all the pages, a small section on community—or career and technical education training as we have talked about in the past. That is an area I think that is an area of—well, there is nothing more important to the competitiveness of this Nation than a qualified workforce. And frankly, career and technical education I think really has proven its salt in terms of the outcomes it produces.

It is appropriate I follow my good friend from Iowa, because last night I had a chance to spend a period of time with four very impressive young persons from Iowa who are involved in career and technical education from different fields. And they shared with me some data that showed what those students in career and technical education, how they outperform. And I was limited to specifically that situation, but how they outperform in both math and science

because of the value of applied education. It really was just very apparent. And America's competitiveness both address emerging job opportunities, but frankly with the retirement of baby boomers.

And so within your testimony, it was sort of a mixed message in your testimony, and that is what I want to come to. And I know we are on the same page with value in career and technical education. As I follow what you talk about, write about, most recently Harvard University's Pathway to Prosperity Report, you said "For too long career and technical education has been a neglected step-child of education reform. That neglect has to stop. And second, we need to re-imagine and make career and technical education as urgent. CT has an enormous and often overlooked impact on students, school systems and our ability to prosper as a Nation." And the fact that I say similar things, I think your remarks were brilliant.

Secretary DUNCAN. I stole them from you.

Mr. THOMPSON. Yeah. What I wanted to come to, though I agree with your sentiments and I serve as co-chair of the House career and technical education caucus and I think it really has proven its results of training and qualified workforce for a relatively small Federal investment for the return on investment, specifically in education. But despite that, the statement that you made, the budget request, your testimony, you affirm your support for it, but frankly the budget request decreases funding for CT programs by over 20 percent. And I guess just two questions. How do you expect schools to offer more high quality CT programs that we strategically need with fewer Federal resources?

Secretary DUNCAN. It is a great question and your leadership in this area is really important to me. I will give you one more stat that was interesting. When I ran the Chicago public schools, we tracked the data for students in CT programs. And they had higher graduation rates, they had higher GPAs. So it wasn't just about that course. There was something about engaging students in different ways that kept them engaged in the broader school environment that was very, very positive.

So this is one of those very tough decisions that we make, not too dissimilar to second Pells each year. I will honestly say that the results for CT across the country are mixed. There are some amazing programs that are creating real jobs and there are others that are frankly still antiquated. So what we tried to do—the investment is still at a billion dollar level. So it is still a very substantial investment. But we did scale back on basically trying to challenge the sector that where things aren't working, we have to do some things very differently. We have to get better results. Again, some pockets of excellence but that hasn't always been the norm. Some programs aren't leading to the kind of results we need.

Mr. THOMPSON. How do we do that?

Secretary DUNCAN. I think we learn from what is working. We replicate those successful models and frankly pay greater attention to outcomes. There are too many places that are saying we offer this class and okay, what does that mean? What is it leading to? What job is that leading to? What certificate is that leading to? We don't always get great answers there, quite honestly. So by repli-

cating successes and I think building a stronger base, then I think it gives us the room to invest more going forward.

Mr. THOMPSON. Thank you. Mr. Chairman, my time I will yield back.

Chairman KLINE. I thank the gentleman. Ms. Hirono.

Ms. HIRONO. Thank you, Mr. Chairman. Aloha, Mr. Secretary. Just as there is a growing bipartisan, or there already is bipartisan consensus around the use of the growth model under NCLB, I think that there is a growing consensus around the idea of supporting quality early education. And you have mentioned it a couple of times. So it is not just the educators who know this, but scientists, economists, business leaders. I know for a fact that the L.A. Chamber of Commerce supports quality early education. Our military is telling us that this is important.

And, in fact, just last week in this committee, we heard from a Republican witness, Dr. Ed Hatrick who is a superintendent of the Loudoun County Public Schools and President of the American Association of School Administrators, when asked about the most important innovation we can make to improve outcomes—and you have had a lot of questions about outcomes—he replied pre-K, pre-K, pre-K.

So music to my ears and for a lot of us here. So obviously, I am very pleased that there is 350 million in the early learning challenge fund because this is one of the new programs that we are pursuing as we focus on using scarcest dollars for those things that actually work. So can you highlight some of the more recent research on the effectiveness of quality early learning?

Secretary DUNCAN. So we don't need another study. There have been hundreds of studies. The most recent one I saw was about 2 weeks ago from Vanderbilt University that talked about dramatic gains, looking at students who went through quality early childhood programs compared to students in a control group that didn't have those kinds of opportunities. But there have been dozens, if not hundreds of studies that demonstrate the efficacy here. What we are trying to do with the Early Learning Challenge Fund is a race to the top for early childhood, to really challenge States and districts to do two things, to increase access, particularly for disadvantaged children, but to make sure it is high quality.

And we know that quality can be uneven in the early childhood space. If this is glorified babysitting, it doesn't get us where we need to go. But we want to put significant resources there. I would also add that it concerns me that in these tough budget times, you have many governors who are scaling back, they are cutting back on early childhood programs. And I met with the governors and said that again I recognize the tough times. I don't think that is a place where you should be cutting back and you have to continue to invest and 3- or 4-year-olds don't have a lobby, they don't have people here in Congress working on their behalf.

Look, we reduce those investments at great cost long-term. To Congressman Hunter's point on reallocating resources, again this is where our flexibility comes into play. We really encourage governors to think about using our dollars—for example, Title I dollars that are having tough budget times to think about using those Title I dollars to maintain full-day, high-quality early childhood

programs. And that flexibility already exists. A lot of the new governors don't quite understand that part of our advice to them is to be very creative. That to me should be one of the last things you cut, not one of the first things.

Ms. HIRONO. I couldn't agree with you more. And I think it is about time that we all recognize that every dollar we spend on quality—and I always use that adjective, quality in front or early learning. That every dollar we spend on quality early learning really comes back to us many times fold, up to \$17 worth. So for those of us who—and all the business people who are talking about cause and effect of the dollar spent, this is the one area where there is so much research, I say we better get on with it. And I am glad that the President's budget reflects that.

Do I have more time? Yes. The issue of effective teaching, because that teacher standing in front of the classroom is the single most important person affecting student learning. Does your budget reflect an emphasis on encouraging the States to really focus on appropriate measures of effectiveness?

Secretary DUNCAN. That is an area that for the country for far too long didn't move. And again, we literally had States that had laws on the books that prohibited the linking of teachers and students, which is absolutely backwards. There is a remarkable outburst of creativity and innovation in this area. And there is no one district that has gotten this right, but there are many that are breaking through and doing some very significant things. I always say you have to evaluate teachers along multiple measures. You can never look at one test score. You have to look at multiple things. Peer evaluation, principal evaluation, professional dominant leadership, student achievement, student growth and gain have to be a significant part of that. And this conference we held in Denver with 150 school districts from around the country, labor and management and boards all there together, we had some fascinating conversations of what folks are doing to break through in this area.

Again, I think as a country we are in our infancy. We are putting a usage amount of resources behind this and you are seeing folks who traditionally fought over silly issues coming together. And I think it is going to help strengthen the profession in a critically important way.

Ms. HIRONO. So the President's budget also reflects the support for this kind of effort that is going on all across our country?

Secretary DUNCAN. Huge investments not just for teachers themselves, but for creating the systems that help teachers be successful. Better data systems, the move towards higher standards is something teachers are desperately looking for. The move to better assessments. Teachers have been crying out for that for a long time. So both direct support for teachers but also creating the structure and the infrastructure around them to allow them to be very, very successful. Massive investments there.

Ms. HIRONO. Thank you. I yield back.

Chairman KLINE. I thank the gentlelady. Dr. Bucshon.

Mr. BUCSHON. Thank you. I want to start out with just commenting on some recent comments that were made about fairness in the U.S. Tax Code even though this isn't a Tax Code discussion. I just want to clarify that. I guess my definition of fairness isn't



the same as was previously described when 45 percent of the American people don't pay any income tax at all and the top tax brackets are paying 35 percent of their income and the top 10 percent of the taxpayers pay 70 percent of all federal income tax.

So I think I disagree with that definition of fairness and I want to just clarify that in the context of budgetary discussions: The question that I have is the EPA recently—and this is a little bit difference direction than has been taken so far. But they have five education efforts in their recent congressional justification document talking about support and working in partnership with K-12 schools, colleges and universities, Federal and State agencies, community organizations to assess the needs established priorities and leverage resources and lastly an effort to increase promotion of green principles and increase the nation's scientific education.

I would like to know if the Department of Education has been involved in those efforts through the EPA because it seems to me that that—those type of things should be talked about in education, not through EPA.

Secretary DUNCAN. We have had a very good partnership with Administrator Jackson. And I know they are doing some tough but important work in the New York City school system now. But your basic point, though, about collaborating and about sharing scarce resources I couldn't agree with more. Where we can have students and districts focus on these issues, do it in a thoughtful way, in a creative way. The knowledge for students, the savings to districts, the better environments obviously are all upsides. So we need to continue to partner and collaborate. Yes, sir.

Mr. BUCSHON. I guess my concern is that, you know, there appears to be an educational underlying political agenda through EPA to—I wouldn't call it indoctrinate—but would you consider advocacy and promotion of green principles as something that we should be doing at the K-12 level when there is broad difference of opinion on this subject?

Secretary DUNCAN. So I don't know if I would agree with your characterization as political activities. I can just speak as a parent of two young children at home, that my wife and I continue to get a very good education every single day if we don't recycle, if we waste water, if we don't turn off our lights.

Mr. BUCSHON. I guess that is fine. But I guess what I am saying is should the Federal Government, through an agency like the EPA, be telling our children these things? Or should it be us—I am a father of four children; I totally agree. We recycle everything. We want to do that. We want a clean environment for our children and grandchildren.

But the question in my mind, again, is through our educational system, should we be, in my view, promoting what I consider a political agenda through an agency that is not involved directly in our educational system?

Secretary DUNCAN. So you and I may agree or disagree on whether there is a political agenda there. What I will say is that there are many things that schools are asked today to do that maybe they shouldn't—in the past have had to do. Your four children are lucky to have an active family. My two children are lucky

to have an active family. Unfortunately many, many children come into school each day who don't have those lessons at home.

This is a little bit off topic. But I had tens of thousands of children in Chicago who I fed three meals a day to because they weren't eating. I sent food home with them on the weekends because I worried about them going hungry. People challenged me, was that the role of the school system to provide nutrition? In an ideal world, I wouldn't have to provide that, but I had to.

So I would only say that whether it is around this or financial literacy or whatever it might be, schools are asked to do more than they have in the past. Is that a good thing? Maybe not. Is that a reality? Our children need to learn these lessons. And if they are not learning them at home, if they are not eating, if they are not getting eye glasses, schools and communities have to step up to provide those opportunities.

Mr. BUCSHON. I wouldn't disagree with that. My view is that the Environmental Protection Agency is not the avenue for the government to address these issues. If anyone is to address it, it should be State, local, or potentially Federal education people that really understand education.

And, finally, I would like to say thank you for your testimony and for your advocacy for our Nation's children. So thank you.

Secretary DUNCAN. Thank you, sir.

Chairman KLINE. I thank the gentleman. Mr. Grijalva.

Mr. GRIJALVA. Thank you, Mr. Chairman. And thank you, Mr. Secretary, for being here. My two cents' worth on gainful employment, I hope that as a rule that there is some date for implementation. I think it brings accountability both to the student for their education that they are taking a loan on and also to the taxpayers of fiscal accountability on how that money is being used. I think it is a good process that we are in, and I hope we continue it.

The other observation—and I was glad the Secretary said that we need to have the educators, the practitioners at the table, as we start looking at turning schools around. My colleague also mentioned the stress on the pride of the profession. And I think you also mentioned that the profession is beat down right now for a lot of reasons.

And I would suggest that all those things are true. But I would also suggest that recently we have seen a lot of attack and commentary against teachers based on collective bargaining agreements, based on the cost in the budget and the stresses some States are going through.

The Governor of Wisconsin was bold enough to call teachers a privileged class that needed to be reduced more. I think as we try to lift the morale of teachers and also uplift the status of the profession, that that kind of commentary works in the opposite direction. It makes it harder for us to find good people to want to continue to be the critical partner in education, and that is educators.

You also said something, Mr. Secretary. And I am asked about this back home all the time. You said, sometimes when I was the head of the public schools in Chicago, we would ignore the State so we could get stuff done at the local level.

The improvement grants being a strategy, a question you hear more and more from local school districts, whether it is English

learner issues, whether it is incentives for teachers to go into certain schools—more autonomy in terms of the resource allocation so they can apply it that way. How do you see that question evolving?

Secretary DUNCAN. I absolutely agree with that sentiment. So school improvement grants go to a local community. They decide what the most effective use of those resources is. They decide how to turn around those schools. The Teacher Incentive Fund grant to go only to districts that come up with their creative ideas and want to implement. And we just want to reward—I keep going back. We are pushing everybody really hard to change. We are pushing management, we are pushing labor. All of us have to get better.

But, Congressman, our Department has been a big part of the problem. We have been this big compliance-driven bureaucracy and we have stifled innovation, we have stifled creativity. We are trying to provide a lot more flexibility. We tried to shrink the Federal footprint, quite frankly. We want to reward excellence, we want to reward innovation, and we want to put resources behind places that are willing to do some things differently. And I think what we have done is we have unleashed a huge amount of creativity, a huge amount of courageous work, and we want to continue to take to scale those best practices.

Mr. GRIJALVA. Middle schools, the proportionate share of Title I funds being an issue; Success in the Middle being another piece of legislation; the graduation promise piece of legislation. But I think they both directly and indirectly talk about the proportionate share of Title I funds going to those two parts of the continuum.

Secretary DUNCAN. TRIO, Gear Up. And again, if we want to get serious about ending the dropout crisis, again, fifth sixth, seventh, eighth grade, we know what students are struggling. What are we doing to make sure students in eighth grade are taking high school algebra so they can be on a path to take, you know, AP calculus as a senior?

If we are serious about reversing some of these negative outcomes, we have to intervene and provide great opportunities early. And that middle school sometimes is I think neglected, and your focus and others' focus is hugely important there. And we want to continue to invest again, whether it is Title I, school improvement grants, Teacher Incentive Fund, scarce resources to get great talent in there.

The final piece, I would say, is the STEM piece. Often where students start to lose interest in science and technology and math is in middle school areas where the teachers don't quite know the content, don't have that. And getting more great STEM teachers—again, not just for the senior year in high school, but in fifth and sixth and seventh and eighth grade, could just open up a world of possibilities for students.

Mr. GRIJALVA. Thank you. I yield back, sir.

Chairman KLINE. I thank the gentleman. Mr. Walberg.

Mr. WALBERG. Thank you, Mr. Chairman. And Secretary Duncan, your staying power at the witness table is impressive, but probably should have been expected because of your record-setting tenure in the Chicago Public Schools system as a superintendent.

Secretary DUNCAN. You are wearing me down.

Mr. WALBERG. That was the school system, Cook County and Chicago school system of my birth and education as well. So for you to stay there that long indicates your staying power. So thank you for being with us.

It was mentioned, the D.C. Opportunity Scholarships program, and there is certainly some disagreement on whether or not that should have been expanded, continued. I personally am one that likes to see a lot of competition, a lot of variety, a lot of framework for research and development that can come through things like that.

But moving into my question, first in the higher education realm, the Department recently finalized regulations for higher education which have caused private and faith-based colleges, universities, some great concern as these regulations will most likely require increased regulation by the government, affecting potentially the autonomy and mission and really just liberty of these schools.

Are you planning on clarifying these regulations or making accommodations for the concerns that you might have?

Secretary DUNCAN. There has been great feedback. And let me sort of say where we are. And we will continue to clarify. So under the regulations, States are explicitly permitted to exempt religious schools. That exists now.

Mr. WALBERG. If I may jump in, is that exemption just for the mission courses; i.e., if it was a seminary or divinity school, that they would be exempt from some of the regulations just in the courses of religious education? Or would it be like one of my alma maters, Wheaton College for instance, where it is across the board?

Secretary DUNCAN. Wheaton is a great university. It is exempting those schools.

Mr. WALBERG. The school in total?

Secretary DUNCAN. Congress requires that States authorize schools. And we are just asking the States to do a couple of basic things. We are not trying to be heavy-handed or anything like that.

A State has to have a process to review and appropriately act on complaints concerning the schools, just a place to hear what the issues are. A school is authorized by name as an educational institution by a State through a charter, a statute, a provision, or anything issued by the State. And the school complies with State approval and licenses. So just sort of the basic commonsense things that, you know, States have the responsibility given to them by Congress.

Mr. WALBERG. Well, there definitely is a lot of latitude potentially in there for concern for how far, how aggressive, the regulating entity of the States might be.

Secretary DUNCAN. I understand that. We will continue to try to provide great clarity and I would be happy to continue the conversation. There are some States like New York that have done this extraordinarily well. So there are examples out there that I think are thoughtful and not heavy-handed, not overbearing. But I hear your concern.

Mr. WALBERG. I would applaud that effort because, again, the diversity that is there, this country is built on that as you, I am sure, would agree with.

Secretary DUNCAN. I understand. And for all the challenges we have talked about with K-12, we have the best system of higher education in the world.

Mr. WALBERG. They all come here.

Secretary DUNCAN. Yes.

Mr. WALBERG. Moving to foundational area with early childhood education, the administration's education budget wishes to spend, as I read it, \$350 million for creating State-run early education programs, Early Learning Challenge fund. This will lead to more requirements for existing preschool programs, many of which are privately run or faith-based as well.

What will you do to ensure protection for the autonomy, the mission, the purpose of private preschool centers and schools as you go forward with this agenda?

Secretary DUNCAN. So this is obviously a voluntary program. States can compete or not compete to come in. And again, we have just two goals: to increase access, particularly in disadvantaged communities for children who need these opportunities, and to make sure it is high quality. Those are our only two goals through the Early Learning Challenge fund.

Mr. WALBERG. There won't be any hurdles that would keep a school like this from applying or being able to apply due to resources, or to gain the resources because of some of those standards that we set arbitrarily?

Secretary DUNCAN. Again we want to go to the most stressed communities and give those children and those families who are trying to give their children a chance at life a chance to have a great childhood education. That is our goal.

Mr. WALBERG. Thank you. I yield back my time.

Chairman KLINE. I thank the gentleman.

In order to keep my promise to the Secretary, I regret to tell my colleagues that we are going to go on the 3-minute clock. I would like to give everybody in the room a chance to ask a question. Mr. Payne, you are recognized for 3 minutes.

Mr. PAYNE. Thank you. For the new members that came or for those who have been here for the whole time? Anyway, I will try stay to 3 minutes.

Last week, Mr. Secretary, during a committee hearing on education regulations, I asked the Loudon County district administrator from Virginia if he thought Virginia would still be focused on educating all students equally, advantaged and disadvantaged, if the disaggregation data required of NCLB had not shed light on such an achievement gap. To this, he answered the following. He said: In Loudon County, we actually disaggregated and reported disaggregated data before NCLB was law. We realized, he said, that when you are as wealthy and have as high a social economic index as we have, children do not have those same opportunities and are in greater danger of not succeeding.

So I think it is very fair to say that probably one of the most important change outlooks of the law has been the disaggregation of data and reporting that. And I think it would be fair to say that had the law not been passed, practices would not have changed. We recognize in a place like Loudon County, it would have been easy to let the overall wonderful performance, on average, of our stu-

dents mask the issue that we face. As far as I am concerned, this is the signal strength of the law.

Now, his statement supports much of what has been alluded to today. NCLB drew attention to poor performance of specific subgroups in our schools and held schools accountable for improving their performance. However, some have inferred that the Department intends to have a targeted accountability focused only on the lowest 5 percent of schools. These schools educate a significant share of the Nation's disadvantaged youth, but there are also a large number of disadvantaged youth in schools above the 5 percent threshold who, prior to NCLB, were not receiving the attention they deserved because, as Dr. Hartwick said last week, it was too easy to let the overall wonderful performance, on average, mask the issue they faced.

So in my opinion, I find it equally important to hold schools with demonstrated capacity to educate some of their students to high levels accountable for educating all students, regardless of the demographics.

Can you assure us that, you know, to reiterate how the blueprint maintains accountability for student subgroups, since you are just basically going to focus on the lower 5 percent, and that other group not disaggregating can go back to the way it was before NCLB?

Secretary DUNCAN. That is a great point. You can just rest assured that we are absolutely committed. I said in a pretty lengthy way in my opening statement how we are going to continue to disaggregate it, how that was one of the best things about NCLB, whether it is for minority children, whether it is for English language learners, we want to continue to look at those gaps and challenge them. So we will absolutely maintain that accountability.

Let me give you one more, though. What I would also argue what never happened under NCLB are those districts that did a great job of closing those gaps, no one ever got rewarded, no one ever got recognized. We didn't learn from that. So, yes, we want to hold folks accountable. Desperately important. But we also want to shine a spotlight on success. And where you have districts that are closing gaps and helping every single student be successful, we want to recognize them. We want to reward them. We want to learn from them. We want to give them more flexibility.

So, rewards at the top. Challenge folks to continue to improve. Massive interventions—as you know, if districts and schools aren't making differences—intervention, if that need be. But let's also reward excellence.

Chairman KLINE. The gentleman's time has expired. Mr. Kelly.

Mr. KELLY. Thank you, Mr. Chairman.

Mr. Secretary, it is good to see you in person after talking to you on the phone. I know you have a great passion for this. But I really do question where we are going with the spending because it is not that we don't spend enough, it is just that we don't get enough for what we spend.

And if there was no clearer message on November 2, we have to rein in the spending. I am just looking at this. For a budget that has increased 68 percent in the last 3 years—in 2009 alone, the budget tripled. My question—and Mr. Hunter asked this several

times—why not redeploy funds that aren't working? And why isn't part of the strategy let's eliminate what is not working and put it into what is working?

And I keep hearing about so many countries are doing it better than we are. Well, obviously, we must know what other countries are doing. Why continue down the same path that we are on, in not getting results, where in the private sector—I have got to tell you, when it is your own money, when it is your own skin in the game, you don't have that option of just spending it. I think the worst thing we can do is to continue to throw money at a problem. We have to start coming down to a strategy that actually fixes the problem.

So please tell me what is the strategy for the DOE? Because a lot of people are starting to wonder, Why do we even have a DOE? We are spending tons of money and I am not seeing any results for it.

Secretary DUNCAN. So what I would argue to you, sir, that in the past 2 years you have seen more change in this country than in the past decade or two combined. And I would make a pretty compelling case to you that because for the first time our Department was awarding excellence and encouraging that kind of creativity and ingenuity and courage, you have seen those dramatic changes. So I would be the first to concur with you.

Our Department historically has been part of the problem. I have told the story repeatedly, that I almost had to sue our Department of Education when I ran the Chicago Public Schools for the right to tutor my children after school. It made no sense whatsoever. I won that fight.

Mr. KELLY. I am not an adversary. There is not a person in this room that doesn't want better education for our kids. But there is also, on behalf of the taxpayers who fund every one of these programs, where is the return on investment and when do we start to see that there is actually a positive to this? Because everything I look at looks at a tremendous spend and a flat line.

Secretary DUNCAN. I understand that. So I would argue that there is compelling, compelling, data that investments in early childhood education, particularly for disadvantaged children, are hugely important. So, yes, we want to invest there and we haven't in the past. I think that has been a strategic error on our part. We are trying to drive dramatic K-12 reform, higher standards, better assessments, much more flexibility to award excellence. And we are asking to continue to fund young people who are trying to go to college with access to Pell Grants who desperately need that.

Mr. KELLY. And I understand that. But my question goes back to we keep spending more money, and at some point it has got to stop. It has absolutely got to stop. And the argument always is, well, there are a lot of people out there who aren't paying for their share. Really? Look what is being paid. There is no other country in the world that invests more in education than the United States and has a lower return on the investment.

My concern is—and again, I am not adversarial. It is just at what point do we start to realize what we are doing isn't working, and when are we going to stop? And I understand that you are saying that there is compelling evidence that it is getting better.

Chairman KLINE. If I can interrupt. I am sorry, the gentleman's time has expired. Mr. Scott, you are recognized for 3 minutes.

Mr. SCOTT. Thank you, Mr. Chairman.

Thank you, Mr. Secretary, for being with us. You mentioned the achievement gap. The 1954 Brown decision talked about the harm inflicted on children when the children of the minority race were denied an equal educational opportunity. The school system maintains a significant and persistent achievement gap. Are the children of the minority race being denied an equal educational opportunity in violation of their civil rights?

Secretary DUNCAN. I think all of us have to use every fiber in our bodies to close those achievement gaps. And where you have huge and gaping achievement gaps, we are trying to push more dramatic change than we have ever seen. Every child has a right to have a great education. We have to provide those opportunities, particularly for disadvantaged children. That is the only way we end cycles of poverty and social failure.

Mr. SCOTT. And speaking of civil rights, the Department of Education gives out grants. If the sponsor of a grant insisted on discriminating on employment based on religion or which church a job applicant attended, would your Department continue to fund such a program or not?

Secretary DUNCAN. I understand the significance of the issue and the question. And it is one that I will follow up with the Department of Justice on.

Mr. SCOTT. So it is possible that you might continue to fund an organization that has a policy of employment discrimination?

Secretary DUNCAN. Well, again, this is an area where the Department of Justice I think can provide some real guidance and help. I will follow up with them directly.

Mr. SCOTT. Civil rights implications of zero tolerance policies, particularly in pre-K, people being expelled. Can you tell us what the Department's position is on zero tolerance, kicking kids out of school without any services?

Secretary DUNCAN. So one of the things the Office of Civil Rights is doing is looking at places where you might have disproportionate rates of expulsions or suspensions, whether it is by race or whether it is young boys of color. And where we are expelling students to the street, again, we are part of the problem. So we are going to track that. We are going to challenge that. And there are many places that are finding creative ways to help the students who have historically struggled to stay engaged in school and be successful, and we need to continue to learn from those examples.

Mr. SCOTT. Since you are going to get back with me on the other, I have several questions that I am obviously not going to have time to address. But you indicated if a subgroup fails, the resources ought to be—the response ought to be targeted at that subgroup and not schoolwide. If you could follow up on that.

And also you mentioned the importance of higher education. Could you tell me what your strategy for access to higher education is, and college completion, particularly as it pertains to the TRIO programs, whether or not the Promise Neighborhoods will be correlated with the dropout factories and whether there is a strategy of dealing with dropouts in No Child Left Behind? Some of the



dropout factories are actually being awarded AYP, which seems absurd to me.

And finally, there is a controversy over what to do with less qualified teachers, but there are two problems. To my knowledge, there is no accurate measure of what an effective teacher is. And you have the counterproductive school collaboration where teachers might not want to collaborate and take on problem children because it might adversely affect them. Can you talk about how you are going to identify who a qualified effective teacher is?

Chairman KLINE. The gentleman's time has expired. You will have to talk about that on the record. And we would appreciate it if you would do so.

Mr. Gowdy, you are recognized for 3 minutes.

Mr. GOWDY. Thank you, Mr. Chairman.

Mr. Secretary, in the interest of full disclosure I had the privilege of hearing you speak in Colorado several years ago, and despite some differences, left that seminar finding you to be incredibly candid, challenging, willing to offend if necessary. And I want to thank you, along with my colleagues, for being here today.

I just want to ask you about one thing because you mentioned reform. And in listening to your testimony, it strikes me that if a program is working or if it even appears to be working, you would be willing to continue it.

So I have to go back to the Opportunity Scholarship program, a 91 percent graduation rate. Their reading scores are higher, their math scores may not be higher, but educational attainment is being reached even if, assuming arguendo, educational results are not. The parents like it. The demand outpaces the supply four to one. So why not continue it?

Secretary DUNCAN. No. Again, more than fair question. I stated earlier that we fought very hard to keep children in the program, to be able to stay in those schools, and we are able to do that. I would disagree a little bit with you on results. I think the results were pretty mixed actually. But at the end of the day, what I see our responsibility here is to create a great system of public schools, where the private sector, where the philanthropic community, where individuals want to step up and provide scholarships to a relatively small number of students; that is fantastic. We need to do more of that.

But we have to be much more ambitious. We have to fix the D.C. Public Schools. They have made remarkable progress. Great local leadership. We are continuing to invest in that transformation. They are a Race to the Top winner. My goal is not to save a handful of students and leave the other 500 to drown. My goal is to save every single child, and that is what I think our proper role should be.

Mr. GOWDY. If I told you that we could craft legislation that funded all three sectors of the D.C. school system—public, private, and charter—to fund all three of them, would you then support the Opportunity Scholarship program? If there was no harm being done at all to the public school system and no harm being done to the D.C. charter school system, you would then support it?

Secretary DUNCAN. I don't think any harm is being done. Again, our focus has to be to create a great set of public schools. So they

are expanding charter schools very significantly here. We want to create access to great public schools for every single child. That is where I think our focus has to be. I am a big fan of choice. I am a big fan of competition. But it has to be access across the board, not for a tiny percent of students.

Mr. GOWDY. I will do something uncharacteristic and yield back, Mr. Chairman.

Chairman KLINE. I thank the gentleman. Mr. Holt you are recognized for the final 3-minute question of the day. I am almost going to keep my promise, Mr. Secretary.

Mr. HOLT. Thank you, Mr. Secretary. Thank you for your endurance and all of your good work.

Let me just state two questions and three comments, ask you to get to them as time allows, or get back to me or the committee with your answers.

First of all, ARPA-ED. What do you imagine doing with the \$90 million and why is it important? Secondly, in your legislative proposal, you proposed ending the year-round or summer Pell Grant programs. Why are you taking on that? They are new, relatively new. Are they already determined not to be as successful? Why did you choose to cut there?

My three comments or concerns. I remain concerned that the math and science partnerships are combined under teacher effectiveness. And it puts science in competition with, oh, gender equality and foreign languages and other such things. And I question the wisdom of that.

Also, you are celebrated for your competitive grants and indeed you have shown how the competitive instinct gets people to work hard. But if the best practice is not replicated and extended, it turns out to be very inequitable. And I guess I would like to know what measures you are applying to see that in—again, this is new, too. So I mean, you have only been at it for a couple of years, but what measures are you applying to see that the competitive grant actually results in, well, lifting all boats?

And I had a third concern, but I will let it go at that. Thank you, Mr. Secretary.

Secretary DUNCAN. So on ARPA-ED—and I appreciate you bringing that up—what I have said repeatedly is that I think the education sector has lacked the transformational change that other sectors have had. I think technology can do an amazing job of equalizing opportunity and accelerating learning. I think we have to be much more thoughtful there. We need to invest more in R&D. And this is a chance for us to invest in a set of players that could potentially transform the learning for young people. And I think a part of our job is not just to deal with the day-to-day issues today but to look over the horizon.

What DARPA has done I think is pretty extraordinary. And if we can see those kinds of transformational changes in the education sector, in part due to our investment, that would be a hugely important piece of work that we can do for the country.

On summer Pell, we discussed it a couple of times, that again in an ideal world, in flusher times, this is not a choice I would have begun to have thought about. In very tough budget times you have to make tough choices. The summer Pell was set up with an esti-

mate of a couple hundred million dollars a year and ended up being a couple of billion dollars. In a perfect world, we would continue that. In tough budget times, we have to make tough choices. And our choice was to try and maintain the commitment for the \$5,550 Pell for everybody.

Mr. HOLT. Thank you Mr. Secretary. Thank you, Mr. Chairman.

Chairman KLINE. Thank you. The gentleman's time has expired. Mr. Miller, you are recognized for any closing remarks.

Mr. MILLER. I won't take any more of the Secretary's time. Thank you, Mr. Secretary. We will all have follow-up conversations. I thank you.

Chairman KLINE. Mr. Secretary I thank you. I do have one note that I would like to bring up. The last time we had a hearing, we asked for some responses for the record. We, frankly, had the hearing in March and got the answers in December.

We have had several requests today. I hope you will look at getting those responses in as timely a way as possible. I apologize to you; I am 7 minutes over. Thank you very, very much for your attendance, for your testimony, and for your responses.

There being no further business, the hearing is adjourned.

[Questions submitted for the record and their responses follow:]



COMMITTEE ON EDUCATION AND THE WORKFORCE  
U.S. HOUSE OF REPRESENTATIVES  
2181 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-8100

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March 29, 2011

The Honorable Arne Duncan  
Secretary of Education  
United States Department of Education  
400 Maryland Avenue, SW  
Washington, D.C. 20202

Dear Secretary Duncan:

Thank you for testifying at the Committee's recent hearing entitled, "*The Budget and Policy Proposals of the U.S. Department of Education*," on March 9, 2011. I appreciate your participation.

Enclosed are additional questions submitted by Committee members following the hearing. Please provide written responses no later than Friday, April 29, 2011 for inclusion in the official hearing record. Responses should be sent to Mandy Schaumburg of the Committee staff.

Thank you again for your contribution to the work of the Committee.

Sincerely,  
  
John Kline  
Chairman

Enclosures

## Chairman John Kline

1. How many political appointees are employed by the Department as of March 28, 2011? How many full-time employees (FTEs) are working at the Department as of March 28, 2011? Provide a breakdown of political appointees and FTEs by program office. Provide a comparison of these aggregate numbers to political appointees and FTEs employed by the Department for each of the last 30 years, broken down by fiscal year (1980-2010).
  2. How many new employees is the Department expected to hire in the next fiscal year? What specific projects and program offices are these new employees connected to?
  3. How many contracts does the Department utilize to operate its programs and projects, as of March 28, 2011? For each contract, specify how many contractors and subcontractors are utilized to carry out the required activities. For each contract, also specify the number of workers attached to the particular contract. In complying with this request, group the relevant information by program office. List the number of contracts, contractors, subcontractors, and workers assigned to the Direct Loan program. How many contracts utilize more than ten contractors?
  4. How many additional employees (defined as FTEs, contractors, and people working under current or new contracts) will be needed once the Department assumes ownership of all federal student loans in the country? How many additional employees would be needed to implement the Administration's proposed changes to the student loan programs included in the Department's FY2012 budget request?
  5. What cost efficiencies have been undertaken to reduce the Department's Administrative budget since January 20, 2009?
  6. The Administration's Elementary and Secondary Education Act (ESEA) reauthorization proposal requires states and school districts to focus accountability and school turnaround efforts on the lowest performing schools in the state and defines this category as the bottom 5 percent of schools. How did the Department determine that 5 percent is the appropriate cut-off, and what data was used to ensure the students most in need will be reached by this proposal to focus on the bottom 5 percent of schools?
  7. Several states, including Indiana, Wisconsin, Florida, and New Jersey are making dramatic changes to their K-12 education systems that improve student academic achievement. Has the Department examined whether there are provisions in federal law or regulation that may limit the ability of state and local leaders to innovate? If so, what are those provisions?
  8. Mr. Secretary, you have stated that it is critically important for parents to be involved in their children's education. Where do you stand on the idea of allowing parents to petition school districts for the right to turn around their schools (a.k.a. a parent trigger)?
  9. The Department has made several changes affecting student privacy and has been actively working on new regulations under the Family Educational Rights and Privacy Act (FERPA). What has the Department done to help states and school districts protect the personal information of students they are required to collect? What changes is the Department planning to make to protect student privacy?
-

10. The Administration's budget request includes very few concrete proposals to address the growing and unsustainable costs of the Pell Grant program. Although we need bold ideas, you gave us short-term fixes. Why has the Pell Grant program almost doubled in size in two years, and how does the Administration propose to address the problem five or ten years down the line?
11. More than 2,000 nonprofit colleges and universities have students with extremely low graduation rates who leave those institutions with massive student loan debt levels. Provide specific examples of what oversight the Department is conducting of the nonprofit sector.
12. The proposed College Completion Incentive Grant program would provide funds to states to encourage better student outcomes for colleges. However, the Department already operates the College Access Challenge Grant program. What is the difference between these two programs? What positive results have been documented from the Challenge Grant program that demonstrate the need to create additional state-based college programs when the federal government usually operates programs focused on institutional aid?
13. What is the Department doing to protect the federal assets being held by the guaranty agencies, particularly since these entities may have to start winding down without new loans to guarantee? What is the Department's plan for the guaranty agencies?
14. How many federal programs operated by the Department have been evaluated for their effectiveness over the last two years and/or five years? Please provide a list of all federal education programs administered by the Department over the last five years and the increase or decrease in the program's budget over the last five years; denote whether each individual program has been evaluated within the last five years; detail the results of the program evaluations, if any; and cite the independent or Departmental source that conducted the evaluation.
15. As was mentioned in the hearing, I am very concerned about recent documents that have become available demonstrating that Department employees have corresponded with short sellers involved in proprietary colleges. I believe it is incumbent on the Department to be transparent about short sellers' involvement in the development of the gainful employment regulations. Please provide a list of all short sellers with whom any Department employee, past or present, including contractors, have communicated regarding the gainful employment regulation; what information was obtained from such short sellers; and how that information was used by the Department. Please also provide copies of all communications between all Department employees, including contractors, and short sellers regarding the gainful employment regulation.

Representative Tom Petri

1. The Department published final regulations in the Federal Register (75 FR 67170) on November 1, 2010, designed to better regulate and eliminate fraud and abuse by foreign institutions. However, I am concerned that these regulations may have two significant unintended consequences and am hoping that the Department can clarify its intent on these two issues.

My questions relate to non-profit American institutions that are located outside of the United States but which are accredited in the U.S. and authorized by U.S. states to operate.

This includes institutions such as the American University of Paris, the American University in Cairo, and the American University in Beirut.

Under these new regulations, it is my understanding that the Department requires institutions it designates as "foreign schools" to be authorized to operate by their host governments and for these governments to recognize the school's diplomas as a prerequisite for the schools to be eligible to administer Title IV student loan funds.

I am very concerned that the second part of this requirement will be difficult to meet for American international colleges and universities because these schools often offer American-style degrees focusing more on a liberal arts education, something that may not be consistent with the degree recognition requirements of the countries where they reside.

If this is the case, then these regulations could have the extremely unfortunate consequence that American students would not be able to use Title IV student loan funds at these American schools if the schools are unable to obtain foreign recognition of their degrees. This would discourage American students from attending American schools in foreign countries at a time when we should be encouraging American students to study abroad to gain valuable international experience.

- a. Given that these institutions meet the same requirements in terms of accreditation and state authorization as their peer institutions in the U.S., and that they are required to show authorization to operate from the country in which they are located, what is the Department's rationale for also requiring these schools to obtain foreign recognition of the degrees they offer?
  - b. Has the Department taken any steps towards determining what institutions might be at risk of losing eligibility for Title IV student loans if these institutions are not able to obtain recognition of their degrees by their host country? Is the Department concerned about the loss of eligibility that may occur for those institutions who do not already comply with this requirement? If so, is the Department taking action to remedy this situation?
  - c. Would permitting the Department to make separate regulations for these American international colleges and universities solve this problem?
2. I am very concerned that these new regulations would also prohibit American students who are pursuing a degree abroad at American international colleges and universities from using Title IV funds to study in the U.S. at accredited U.S. colleges and universities for a semester or a year as part of their program (without having to take additional steps of withdrawing from the international college or university). Can you clarify the Department's rationale for prohibiting U.S. students from using Title IV aid to attend accredited U.S. institutions in the U.S.?

Representative Virginia Foxx

1. Other than the Individuals with Disabilities Education Act (IDEA), is there a single program in the Department that has demonstrated measurable success as a direct result of spending from the federal government? Can you prove anything has come out of one dollar of spending from the federal government?

Representative Richard Hanna

1. When was the last time the Department conducted a comprehensive audit of all its regulations to determine the cost passed down to schools and the number of hours spent implementing these regulations by state educational agencies and local educators?

Representative Todd Rokita

1. The budget request put forward by President Obama for the Department represents a 10.7 percent increase over current levels. In the last three years, the Department has had nearly a 68 percent increase in its budget. At a time when we are asking most American families to tighten their belts and survive in a weakened economy, how can the Administration responsibly ask for this level of funding?
2. Mr. Secretary, you have been on record that within the Department's proposed budget you have consolidated 38 programs and eliminated 13. While I commend your first steps, there is still more to do. You have at least two programs in this budget, totaling \$3 billion, which would be used to "recruit, develop, retain and reward effective teachers." Why do we continue to see duplicative programs within your Department?
3. While I know that you are not supportive of a policy of "Last In First Out" regarding teacher layoffs, and are open to moving towards a teacher evaluation model, can you explain to the Committee why you support teacher collective bargaining agreements that contain provisions about teacher layoffs with no consideration of teacher and/or student performance?

Representative Kristi Noem

1. Mr. Secretary, the budget proposal converts several formula programs to competitive grant programs. It includes a rural priority for many of these programs. How will the conversion to competitive grants impact rural communities and how will this new priority work in practice?
2. Mr. Secretary, Impact Aid payments to some school districts are years behind. What is the Department doing to improve payment times to these districts?

Representative Robert Scott

1. How does the Department intend to structure its response to schools that are not making adequate yearly progress (AYP)? Currently, responses are targeted to the entire school or to groups of students that may not need it. Does the Department intend to target assistance specifically to those groups of students within a school who need it most?
2. What is the Department's strategy to ensure that more students attend and complete their college education?
3. Every child and every classroom deserves a qualified and effective teacher, not simply someone who appears highly qualified on paper. How does the Department intend to gauge whether a teacher is actually effective in the classroom? In addition, how will this be gauged without creating an anti-collaborative atmosphere? In other words, teachers may



not want to collaborate or take on lower-performing students if it will adversely affect their performance rating. How does the Department intend to balance the need for qualified and effective teachers with collaborative environments and promote professional development for underperforming or ineffective teachers?

4. While recognizing that AYP as we currently know it may change in ESEA reauthorization, it is nonetheless imperative that all schools are held accountable by the federal government for the performance of all students. Is the Department committed to federal accountability for all schools and all students? Does the Department intend to include a meaningful high school graduation rate factor as part of the (new) accountability system and if so, what will that look like?
5. Are any programs permitted to discriminate based on religion using federal funds supplied, granted or otherwise given out by the Department of Education?
6. The Department continues to place an emphasis on charter schools despite several reports finding that they do not serve students better than traditional public schools and many in fact perform worse than traditional public schools. What is the Department doing to ensure that civil rights, including for students with disabilities, are applied to charter schools?
7. Research shows that disparities exist in discipline treatment by gender as well as by race and ethnicity for all students, including pre-kindergarten students. In fact, the Yale University Child Study Center conducted a study of almost 4,000 pre-kindergarten classrooms representing all 52 of the national state-funded pre-kindergarten systems. The research found that African-American students attending state pre-kindergarten programs were approximately twice as likely to be expelled as preschoolers of European descent. Further, boys were over 4½ times more likely to be expelled than girls. Importantly, these data demonstrated that being both a boy and a racial/ethnic minority places a preschooler at dramatically greater risk for expulsion. African American boys were 8.76 times as likely as African American girls to be expelled. Similarly, Latino boys are 6.66 times as likely as Latino girls to be expelled. Given that high-quality preschool programs improve school readiness and reduce racial/ethnic disparities in school readiness, preschool serves as a critical tool in reducing the racial/ethnic disparities in achievement in K-12 education. Monitoring disparities in discipline of preschoolers now promises to encourage local education agencies to address this problem sooner rather than later. Delaying examination of disparities in this area could contribute to and potentially worsen unequal educational opportunities. Your testimony suggested that the Department of Education intends to address disparities in discipline and expulsion rates of students. Could you please explain in greater detail how the Department of Education intends to address the disparities in discipline and expulsion of students? Also, how does the Department specifically intend to address the disparities in expulsion of preschool students within its budget and in general?
8. Has the Department considered developing data collection software for the states in order to help ease their regulatory paperwork burden?

Representative Carolyn McCarthy

1. Secretary Duncan, as you know, I have been an advocate for reducing violence, bullying, and other activities that make our schools unsafe and make learning difficult. I would like to ask you about the consolidation of several existing school safety programs into the new

Successful, Safe, and Healthy Students program. While I support flexibility in funding, I'm concerned about the possibility of losing sight of individual priorities within in a consolidated framework. I am specifically concerned with cuts to the Readiness and Emergency Management for Schools program. Can you talk about how this new approach will address the variety of different challenges faced by schools?

2. Secretary Duncan, we have heard the President call on parents to take a more active role in their children's education. As you may know, Representative Platts and I have been working on this issue within the committee, and we have introduced the Family Engagement in Education Act. How can the Department and Congress encourage more meaningful parental involvement in our efforts to reform the public education system?
3. Secretary Duncan, we have heard the administration advance the idea of tying teacher pay to the performance of their students. While I support using student performance as a component of teacher evaluations, I believe that we need to have a more comprehensive approach to teacher evaluations. In the 111<sup>th</sup> Congress, I introduced legislation, the Teacher and Principal Improvement Act, which, among other provisions, will incorporate the classroom practices of teachers along with student performance to provide a more complete picture of an individual teacher's performance. Evidence of classroom practices that would be evaluated include: observations of the teachers, videos of teacher practice, lesson plans, and parent, student, and peer feedback. By looking at the actual practices of teachers in the classroom, we will be better able to understand teacher effectiveness and evaluate teachers on a fairer, evidence-based basis.

Does the administration support a more comprehensive approach to teacher evaluations, such as that contained in my Teacher and Principal Improvement Act?

4. Secretary Duncan, as you know, I have worked to reduce school violence, especially gun violence in our schools. Loopholes exist in the Gun-Free Schools Act that prevent us from being as effective as we need to be in appropriately monitoring and preventing guns from ending up on school campuses. In the 111<sup>th</sup> Congress, I introduced the Safe Schools Against Violence in Education Act which, among other provisions would close some of these loopholes and strengthen the protections in current law. Specifically, the bill requires that local educational agencies report not only expulsions for incidents related to firearms, but also include information on incidents leading to suspension as well. The bill also expands the scope of current law to include not only incidents that occur on school campuses, but to also include incidents occurring on school buses and events for which the local educational authority is responsible. Finally, the bill requires all incidents that occur on school grounds, not just those committed by students.

I look forward to working with you and the President to make sure our schools are safe and gun free. What steps are being taken by the Department to continue to ensure the safety of our schools? Specifically, is the Department looking at ways to improve the Gun-Free Schools Act?

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[Responses from Secretary Duncan follow:]



UNITED STATES DEPARTMENT OF EDUCATION  
OFFICE OF LEGISLATION AND CONGRESSIONAL AFFAIRS

May 6, 2011


The Honorable John Kline  
Chairman  
Committee on Education and the Workforce  
United States House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

Thank you for your Committee's follow up questions from the March 9th, 2011, hearing on "The Budget and Policy Proposals of the U.S. Department of Education." Please see the enclosed document for responses to questions that Members of the Committee submitted.

If you have any issues or questions about our responses, please contact me at 202-401-0020.

Sincerely,

  
Gabriella Gomez  
Assistant Secretary  
Office of Legislation and Congressional Affairs

Enclosure

**Secretary Duncan's Responses to Questions Submitted for the Record**

*Chairman John Kline*

*1. How many political appointees are employed by the Department as of March 28, 2011? How many full-time employees (FTEs) are working at the Department as of March 28, 2011? Provide a breakdown of political appointees and FTEs by program office. Provide a comparison of these aggregate numbers to political appointees and FTEs employed by the Department for each of the last 30 years, broken down by fiscal year (1980-2010).*

As of March 28, 2011 the number of political appointees is 145 and the number of full-time employees is 4,315. A table has been provided displaying the number of political appointees and FTEs for each of the past 30 years.



English Language Acquisition	53	57	54	50	3	52	3	47	48	45	49	44
Advisory Councils and Committees			24			28		23	17	16	12	17
Management			783		739	11	736	13	618	636	611	623
Legislative and Congressional Affairs			69		69	13	61	11	62	25	25	22
Institute of Museum Services			5		9							
National Institute for Literacy												
National Assessment Governing Board												
Miscellaneous Offices	11	21										
Total	102	6,078	115	5,820	125	5,385	128	5,078	127	5,077	129	4,404
								140	4,409	127	4,698	118
												129
												4,545

Notes:  
 1 Prior to August 2003 was called Office of Educational Research and Improvement.  
 2 Only Full Time Equivalent Usage Available for 1992 and 1994, and is not comparable to full-time employees.  
 3 Political Appointees for 1980 are as of November 1980 by total only.  
 4 Political Appointees for years 1981-1983, 1989-1991, 1994, and 1995 are as of December of each year by total only.  
 5 Political Appointees for years 1984-1985 are as of March of each year by Program Office.  
 6 Political Appointees for years 1986-1988 are as of September of each year by total only.  
 7 Political Appointees for years 1992, 1993, 1996-2010 are as of September of each year by Program Office.  
 8 Political Appointees and Full Time Employees for 2011 as of March 28, 2011

Program office	1990 <sup>1</sup>		1991 <sup>4</sup>		1992 <sup>2</sup>		1993 <sup>3</sup>		1994 <sup>4</sup>		1995 <sup>4</sup>		1996 <sup>7</sup>		1997		1998		1999	
	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees
Secretary	112	115	31	110	38	117	110	105	35	95	41	102	40	100	37	102				
Deputy Secretary			8	25	10		20	22	12	17	10	23	10	26	12	27				
Under Secretary	20	24	4	16	1	17	132	130	5	126	4	126	1	125	1	126				
Civil Rights	800	856	8	848	5	848	821	760	5	721	5	650	5	720	4	706				
Inspector General	329	358	1	350	1	369	358	326	1	286	2	275	0	289	2	281				
General Counsel	95	95	4	103	2	99	106	104	4	104	4	106	3	97	3	100				

Program office	1990 <sup>a</sup>		1991 <sup>a</sup>		1992 <sup>a</sup>		1993 <sup>a</sup>		1994 <sup>a</sup>		1995 <sup>a</sup>		1996 <sup>a</sup>		1997		1998		1999		
	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	
Special Ed and Re-																					
habilitative Services	421	400	8	407	2	404	388	349	10	338	10	352	9	351	9	361					
Postsecondary Education	1,116	1,169	13	1,146	7	1,234	1,240	1,507	12	1,398	11	1,409	10	1,350	14	246					
Federal Student Aid Institute of Education Sciences <sup>1</sup>	431	472	9	448	6	431	407	359	3	343	2	346	2	340	1	338					
Elementary and Secondary Education	267	300	10	254	3	262	213	239	8	231	12	246	13	256	10	253					
Vocational and Adult Education	112	121	8	112	3	106	102	111	5	107	7	110	7	114	6	122					
Chief Financial Officer	134	136	3	168	239	313	322	304	2	260	1	317	0	263							
Chief Information Officer																					80
Safe and Drug Free Schools																					
Innovation and Improvement																					
Planning, Evaluation and Policy Development																					
Intergovernmental and Interagency Affairs	113	110	39	108	20	91	100	99	27	110	32	106	35	115	39	125					
Communications and Outreach																					
English Language Acquisition	46	48	2	51	1	45	42	46	4	43	5	47	3	46	1	49					
Advisory Councils and Committees	14	10	12	12	14	12	12	7	7	7	7	7	7	7	7	7	7	7	7	7	8
Management	602	675	8	621	499	330	301	1	289	286	0	197	0	194							

Legislative and Congressional Affairs	22	23	8	26	5	22	5	22	5	22	5	22	6	21	6	22
Institute of Museum Services																
National Institute for Literacy				6		10		11		13		13		0	14	0
National Assessment Governing Board				10		10		10		9		9		0	10	0
Miscellaneous Offices																
<b>Total</b>	<b>160</b>	<b>4,634</b>	<b>174</b>	<b>4,912</b>	<b>164</b>	<b>4,821</b>	<b>104</b>	<b>4,817</b>	<b>156</b>	<b>4,737</b>	<b>147</b>	<b>4,832</b>	<b>137</b>	<b>4,563</b>	<b>152</b>	<b>4,495</b>
																<b>145</b>
																<b>4,495</b>
																<b>145</b>
																<b>4,593</b>

Notes:  
<sup>1</sup>Prior to August 2003 was called Office of Educational Research and Improvement.  
<sup>2</sup>Only Full Time Equivalent Usage Available for 1992 and 1994, and is not comparable to full-time employees.  
<sup>3</sup>Political Appointees for 1980 are as of November 1980 by total only.  
<sup>4</sup>Political Appointees for years 1981-1983, 1989-1991, 1994, and 1995, are as of December of each year by total only.  
<sup>5</sup>Political Appointees for years 1984-1985, are as of March of each year by Program Office.  
<sup>6</sup>Political Appointees for years 1986-1988, are as of September of each year by Program Office.  
<sup>7</sup>Political Appointees for years 1992, 1993, 1996-2010, are as of September of each year by Program Office.  
<sup>8</sup>Political Appointees and Full Time Employees for 2011 as of March 28, 2011

Program office	2000		2001		2002		2003		2004		2005		2006		2007		2008		2009	
	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees	Political appointee employees	Full-time employees
Secretary	40	100	27	85	53	130	58	136	50	144	39	118	40	122	40	123	31	125	32	128
Deputy Secretary	10	22	7	17	9	19	2	99	11	68	6	12	6	10	5	12	3	8	8	13
Under Secretary	0	124	6	126	8	127	10	47	3	89	1	2	2	1	5	5	5	7	7	8
Civil Rights	5	686	0	697	7	676	5	646	2	643	5	613	6	598	8	599	4	577	2	554
Inspector General	2	261	1	280	0	275	1	277	1	268	1	303	1	289	1	271	0	272	0	291
General Counsel	3	96	2	94	4	97	5	98	5	96	4	97	5	92	7	97	7	92	5	96
Special Ed and Rehabilitative Services	8	359	4	363	9	362	7	357	6	344	6	299	7	259	4	259	4	262	3	266
Postsecondary Education	11	257	0	224	8	225	6	239	6	228	5	227	6	215	6	208	3	211	0	205
Federal Student Aid		1,175		1,172		1,128		1,069		1,070		1,007		979		1,005		1,008		968

Program office	2000		2001		2002		2003		2004		2005		2006		2007		2008		2009	
	Full-time employee appointees	Political appointees	Full-time employee appointees	Political appointees	Full-time employee appointees	Political appointees	Full-time employee appointees	Political appointees	Full-time employee appointees	Political appointees	Full-time employee appointees	Political appointees	Full-time employee appointees	Political appointees	Full-time employee appointees	Political appointees	Full-time employee appointees	Political appointees	Full-time employee appointees	Political appointees
Institute of Education Sciences <sup>1</sup>	1	308	1	307	2	277	2	177	3	171	1	184	1	178	1	183	1	183	1	188
Elementary and Secondary Education	8	261	4	255	11	268	6	210	8	170	10	200	10	200	11	203	10	211	5	218
Vocational and Adult Education ..	6	117	2	117	5	118	4	123	6	119	4	115	2	97	4	94	4	94	4	89
Chief Financial Officer ..	0	265	0	280	4	277	4	288	4	280	3	275	3	271	2	258	2	262	0	182
Chief Information Officer ..	0	106	0	103	0	110	0	106	0	102	0	96	0	77	0	70	0	67	0	138
Safe and Drug Free Schools ..							2	49	3	54	4	50	4	49	4	46	4	44	3	43
Innovation and Improvement ..							5	84	3	91	2	86	2	87	4	89	4	88	5	84
Planning, Evaluation and Policy Development ..											4	112	4	112	6	114	6	124	7	125
Intergovernmental and Interagency Affairs ..	32	127	11	104	25	105	26	105	27	106	8	10								
Communications and Outreach ..											31	122	44	135	44	135	40	130	13	106
English Language Acquisition ..	1	51	0	48	4	48	4	45	4	43	1	38	2	41	2	37	0	30	0	22
Advisory Councils and Committees	0	7	0	7	0	9	0	9	0	7	0	7	0	8	0	8	0	5	0	5
Management ..	0	187	0	196	5	194	6	189	3	178	3	165	4	182	4	179	4	196	1	189
Legislative and Congressional Affairs	6	23	5	20	5	19	10	25	10	25	10	24	9	23	11	24	6	19	6	21
Institute of Museum Services ..																				
National Institute for Literacy ..	0	16	0	17	0	13	0	16	0	13	0	11	0	17	0	14	0	12	0	11





Program office	2010		2011 <sup>8</sup>	
	Political appointee	Full-time employees	Political appointee	Full-time employees
Secretary .....	39	140	37	145
Deputy Secretary .....	8	16	10	33
Under Secretary .....	10	10	10	13
Civil Rights .....	7	609	7	604
Inspector General .....	1	327	1	323
General Counsel .....	6	95	6	91
Special Ed and Rehabilitative Services .....	6	267	6	266
Postsecondary Education .....	3	213	3	210
Federal Student Aid .....	.....	1,157	0	1,212
Institute of Education Sciences <sup>1</sup> .....	1	194	2	187
Elementary and Secondary Education .....	11	239	12	226
Vocational and Adult Education .....	7	85	6	82
Chief Financial Officer .....	0	191	0	185
Chief Information Officer .....	0	128	0	132
Safe and Drug Free Schools .....	3	42	3	43
Innovation and Improvement .....	7	94	6	101
Planning, Evaluation and Policy Develop .....	11	133	12	130
Intergovernmental and Interagency Affairs .....	.....	.....	.....	.....
Communications and Outreach .....	14	104	16	104
English Language Acquisition .....	1	20	2	22
Advisory Councils and Committees .....	0	6	0	5
Management .....	1	183	0	171
Legislative and Congressional Affairs .....	7	20	6	18
Institute of Museum Services .....	.....	.....	.....	.....
National Institute for Literacy .....	0	10	.....	.....
National Assessment Governing Board .....	0	12	0	12
Miscellaneous Offices .....	.....	.....	.....	.....
<b>Total .....</b>	<b>143</b>	<b>4,295</b>	<b>145</b>	<b>4,315</b>

## Notes:

- <sup>1</sup> Prior to August 2003 was called Office of Educational Research and Improvement.  
<sup>2</sup> Only Full Time Equivalent Usage Available for 1992 and 1994 and is not comparable to full-time employees.  
<sup>3</sup> Political Appointees for 1980 are as of November 1980 by total only.  
<sup>4</sup> Political Appointees for years 1981-1983, 1989-1991, 1994, and 1995 are as of December of each year by total only.  
<sup>5</sup> Political Appointees for years 1984-1985 are as of March of each year by Program Office.  
<sup>6</sup> Political Appointees for years 1986-1988 are as of September of each year by total only.  
<sup>7</sup> Political Appointees for years 1992, 1993, 1996-2010 are as of September of each year by Program Office.  
<sup>8</sup> Political Appointees and Full Time Employees for 2011 as of March 28, 2011

2. *How many new employees is the Department expected to hire in the next fiscal year? What specific projects and program offices are these new employees connected to?*

The Department's 2012 budget includes a net increase of 61 positions in fiscal year (FY) 2012. Twenty of the positions are for Federal Student Aid, primarily due to increases resulting from the Student Aid and Fiscal Responsibility Act (SAFRA), which terminated the Federal Family Education Loans program and shifted all new Federal loan originations to the Direct Loan program.

Fifteen positions are to help the Department achieve other high-priority performance goals. These efforts will include providing technical assistance to States to help achieve education reform (7 positions in the Office of the Deputy Secretary); enhancing and increasing the Department's program evaluations (6 positions in the Institute of Education Sciences); administering the proposed Workforce Innovation Fund, in conjunction with the Department of Labor (1 position in the Office of Vocational and Adult Education); and supporting the Rehabilitation Service Administration's Management Information System (1 position in the Office of Special Education and Rehabilitation Services).

An additional 12 positions are included in the 2012 budget for the Office for Civil Rights to handle increased workload. In FY 2010, OCR received 6,933 complaints, a 9 percent increase from FY 2009—the largest number of complaints ever received by the office.

Lastly, the 2012 budget includes an additional 30 positions for the Office of Inspector General. In order to fully address high-priority areas, additional auditors and investigators are needed to perform a larger number of audits and to conduct investigations larger in scope, with emphasis on programs funded by the American

Recovery and Reinvestment Act (Recovery Act), including the Race to the Top and Investing in Innovation programs, as well as oversight of guaranty agencies, Direct Loans, and distance education. The additional auditors and investigators, supported by additional Information Technology Audits and Computer Crime Investigations staff, also will allow OIG to expand reviews of student loan programs.

The addition of these 77 new positions will be partially offset by the elimination of 16 positions of staff currently working on the administration of the Recovery Act and the Education Jobs Fund, and through the streamlining of administrative processes in several areas of the Department.

3. *How many contracts does the Department utilize to operate its programs and projects, as of March 28, 2011? For each contract, specify how many contractors and subcontractors are utilized to carry out the required activities. For each contract, also specify the number of workers attached to the particular contract. In complying with this request, group the relevant information by program office. List the number of contracts, contractors, subcontractors, and workers assigned to the Direct Loan program. How many contracts utilize more than ten contractors?*

The number of active contracts, as of March 28, 2011, is listed below.

Principal office	Number of active contracts
Advisory Committee on Student Financial Assistance .....	6
Institute of Education Sciences .....	198
National Assessment Governing Board .....	24
Office of the Chief Financial Officer .....	18
Office of the Chief Information Officer .....	35
Office of Communications and Outreach .....	40
Office for Civil Rights .....	38
Office of English Language Acquisition .....	1
Office of Elementary and Secondary Education .....	32
Office of the General Counsel .....	1
Office of Inspector General .....	41
Office of Innovation and Improvement .....	13
Office of Legislative and Congressional Affairs .....	1
Office of Management .....	116
Office of Postsecondary Education .....	46
Office of Planning, Evaluation, and Policy Development .....	30
Office of the Secretary .....	23
Office of Safe and Drug-Free Schools .....	10
Office of Special Education and Rehabilitative Services .....	28
Office of Vocational and Adult Education .....	22
Federal Student Aid .....	228
Total .....	951

Each contract is between the Department and one prime contractor. The number of subcontractors per contract is not tracked except under the Direct Loan program.

The Department does not track the number of workers attached to a particular contract except under the Direct Loan program.

A total of 36 contracts are associated with the Direct Loan program. The contracts are with 33 contractors and 15 subcontractors, and include approximately 7,600 contract workers. The Department does not assign staff to specific programs, as there are many functions, activities and contracts that overlap programs—1,034 federal employees work on some aspect of the Direct Loan program.

4. *How many additional employees (defined as FTEs, contractors, and people working under current or new contracts) will be needed once the Department assumes ownership of all federal student loans in the country? How many additional employees would be needed to implement the Administration's proposed changes to the student loan programs included in the Department's fiscal year (FY) 2012 budget request?*

Under current law, the Department will not assume ownership of all federal student loans in the country. However, the Department has purchased a significant share of recent loan volume pursuant to the Ensuring Continued Access to Student Loans Act of 2008 (ECASLA), as lenders exercised the option to sell these loans to the Department. In addition, per the Student Aid and Fiscal Responsibility Act (SAFRA), as of July 1, 2010, the Department has begun to originate 100 percent of all new student loan volume that was previously divided between the Direct Loan

program and the Federal Family Education Loan program. Implementing these two pieces of legislation has required approximately 120 new federal staff. While the Department does not track exact figures for contract personnel, approximately 3,400 additional contract workers have been needed to implement ECASLA and SAFRA.

The Department expects that 5 additional employees will be needed to implement proposed changes to the student loan programs. Some additional contract staff may also be needed.

*5. What cost efficiencies have been undertaken to reduce the Department's Administrative budget since January 20, 2009?*

The Department has undertaken a number of steps to reduce the Department's Administrative budget since January 20, 2009, including the following:

- Savings through dissolving the National Institute for Literacy.
- Savings realized through implementing the Department's ED Pubs project, which distributes Department publications, through an interagency agreement rather than through a contract.
- Savings through reducing the number of leased computers and printers.
- Efficiencies through Deputy Secretary review of the annual acquisition plan and elimination of programs and contracts.
- Savings through strategic sourcing, including strategically sourcing office supplies and preparing to transition to the new Federal Strategic Sourcing Initiative for office supplies (OS2), strategically sourcing online subscription services, and developing in-house strategic sourcing methods for conference planning.
- Savings through the implementation of a five-year plan to consolidate building locations within the Washington, D.C. area, which will reduce rental and security costs.

Federal Student Aid programs have seen savings through:

- Changing the Common Origination and Disbursement fulfillment processes to replace paper letters to borrowers (in specific circumstances) with electronic notices.
- Modifying the Common Services for Borrowers (CSB) contract modification to eliminate borrower account transfer fees, when accounts were moved from CSB to other servicers.
- Reducing the percentage payout rate through negotiated pricing with Federal Student Aid Private Collection Agency contracts.
- Cost avoidance of development work costs through a renegotiated contract for the Default Management Collection System.

*6. The Administration's Elementary and Secondary Education Act (ESEA) reauthorization proposal requires states and school districts to focus accountability and school turnaround efforts on the lowest performing schools in the state and defines this category as the bottom 5 percent of schools. How did the Department determine that 5 percent is the appropriate cut-off, and what data was used to ensure the students most in need will be reached by this proposal to focus on the bottom 5 percent of schools?*

Our proposal requires states and districts to focus specific intensive interventions on the 5 percent of schools that represent the lowest achieving schools in the State that also are not improving, because these are schools that have consistently failed their students and communities. While there are additional schools that may need significant intervention to improve, we limited the most intensive interventions to 5 percent of schools because states and districts may not have the capacity to fully and effectively implement these interventions in too many schools, and we want them to focus their most intense support and resources on a limited number of schools that are farthest behind to increase their chances of success in improving these schools. The Department has examined state performance data over time, as well as research and reports from outside organizations to determine there are very low-performing schools that are not improving across the country, where intensive support is needed. For example, research has found that there are approximately 1,600 "dropout factories" where less than 60 percent of 9th-grade students are still enrolled in 12th grade, which represent about 10 percent of all high schools. Beyond this 5 percent of schools, our proposal would also require states to implement evidence-based, data-driven interventions in the next-lowest 5 percent of such schools and the 5 percent of schools with the largest achievement gaps that aren't closing, which will help ensure that states focus on the schools and students most in need.

*7. Several states, including Indiana, Wisconsin, Florida, and New Jersey are making dramatic changes to their K-12 education systems that improve student academic achievement. Has the Department examined whether there are provisions in federal law or regulation that may limit the ability of state and local leaders to innovate? If so, what are those provisions?*

The Department wants to right-size the federal role and to serve as an engine of innovation, not a compliance-driven bureaucracy. Our Elementary and Secondary Education Act (ESEA) reauthorization proposal is designed to reduce burden and allow States and districts to focus on results. Through proposed program consolidations, streamlined accountability systems, and other measures, we would reduce red tape so that state and local leaders can focus on innovating and improving student achievement.

Also, at the President's direction, the Department and other agencies are undertaking a collaborative process to coordinate and streamline requirements as well as reduce administrative, regulatory, and legislative barriers. While this work is still in its initial phases, the Department hopes it will help to reduce burden and improve results. Finally, there are many existing flexibilities that are under-utilized by States and districts. The Department is taking steps to shine a bright light on these burden-reducing options and to identify innovative practices in using them. In March, the Department brought together in one place options and ideas for handling education funding in tough budget times and released this information to Governors. The materials and technical assistance, which are available on our website (<http://www.ed.gov/news/press-releases/department-education-provides-promising-practices-productivity-flexibility>), clarify the flexibilities available for using federal funds, which can reduce burden and provide more room for local innovation if states and schools districts take advantage of these opportunities.

*8. Mr. Secretary, you have stated that it is critically important for parents to be involved in their children's education. Where do you stand on the idea of allowing parents to petition school districts for the right to turn around their schools (a.k.a. a parent trigger)?*

We are in favor of parents demanding excellence in their schools. We need to do a better job of empowering our parents to demand a high-quality education and better, safer schools for their children. Parents should have good options and demand better schools when their children are consistently being ill-served, but for public school choice programs and school improvement efforts to work, they have to be fair, open, and transparent and fully engage parents so they can make the best decision for their children.

*9. The Department has made several changes affecting student privacy and has been actively working on new regulations under the Family Educational Rights and Privacy Act (FERPA). What has the Department done to help states and school districts protect the personal information of students they are required to collect? What changes is the Department planning to make to protect student privacy?*

The use of data is vital to ensuring the best education for our children. However, the benefits of using student data must always be balanced with the need to protect students' privacy rights. Students and their parents should expect that their personal information is safe, properly collected and maintained and that it is used only for appropriate purposes and not improperly disclosed. It is imperative to protect students' privacy to avoid discrimination, identity theft or other malicious and damaging criminal acts. All education data holders must act responsibly and be held accountable for safeguarding students' personally identifiable information—from practitioners of early learning to those developing systems across the education continuum (P-20) and from schools to their contractors. For this reason, the Department has begun several initiatives to provide technical assistance to States, districts and schools to protect the privacy rights of students and promote the responsible use of data to inform education policy.

#### CHIEF PRIVACY OFFICER

The Department has hired its first Chief Privacy Officer. Kathleen Styles joins the Department from the U.S. Census Bureau where she most recently served as Chief of the Office of Analysis and Executive Support. In that role she managed a portfolio that included confidentiality, data management, the Freedom of Information Act (FOIA), privacy policy and coordination for the acquisition and management of data from other agencies. She has extensive experience with Federal data collections, including the decennial census, and with ensuring appropriate protections for large databases. As Chief Privacy Officer, Ms. Styles oversees a new division at the Department dedicated to advancing the responsible stewardship, collection, use, maintenance and disclosure of information at both the national level and for States, local educational agencies (LEAs), postsecondary institutions and other education stakeholders. Her office will help to ensure that the Department complies with applicable legal obligations and epitomizes the best practices we espouse. It will work with other Department offices to include privacy, confidentiality and data security re-

quirements in Department policies and programs; coordinate the development and delivery of privacy training for all Department employees and contractors; oversee the Department's retention and disposition of records; coordinate the development of official Department guidance for the education field on topics such as data stewardship, electronic data security and statistical methods for data protection; serve on the advisory board that manages the work of the Privacy Technical Assistance Center; and administer the Department's responsibilities under the following statutes: FERPA, the Protection of Pupil Rights Amendment (PPRA), the military recruiter provision of the ESEA, the Privacy Act of 1974, as amended, and FOIA.

#### PRIVACY TECHNICAL ASSISTANCE CENTER

The Department has established a Privacy Technical Assistance Center (PTAC) which serves as a one-stop resource for State educational agencies (SEAs), LEAs, the postsecondary community and other parties engaged in building and using education data systems. PTAC's role is to provide timely and accurate information and guidance about data privacy, confidentiality, and security issues and practices in education; disseminate this information to the field and the public; and provide technical assistance to key stakeholders. PTAC will share lessons learned; provide technical assistance in both group settings and in one-on-one meetings with States; and create training materials on privacy, confidentiality and security issues. PTAC will accomplish its mission by providing:

- A "privacy toolkit" including such resources as common FAQs, FERPA guidance and checklists for data governance plans;
- Technical assistance site visits that offer in-depth reviews of data policies and practices;
- Training materials that offer real-world examples of proper data governance strategies;
- A help desk that provides a centralized location for education stakeholders to submit questions to the Department; and
- Regional meetings for sharing training materials and facilitating the sharing of best practices.

At conferences and State-requested site visits, State educational agencies have responded very positively to PTAC and its offerings, both in terms of its content expertise, such as reviewing security architecture plans, and its ability to provide important and timely input to strengthen and inform the work of States.

#### TECHNICAL BRIEFS

The National Center for Education Statistics has been working on a new series of technical briefs that further the national conversation on effective practices for overall data stewardship, which include data security and privacy protections. The methods in the briefs incorporate NCES statistical expertise and best practices from the field and consider various Federal data privacy laws, including, but not limited to FERPA. These best practices are presented as voluntary methods and not a one-size-fits-all solution. NCES has already released the following three briefs: Basic Concepts and Definitions for Privacy and Confidentiality in Student Education Records; Data Stewardship: Managing Personally Identifiable Information in Electronic Student Education Records; and Statistical Methods for Protecting Personally Identifiable Information in Aggregate Reporting. The technical briefs can be accessed online at <http://nces.ed.gov/programs/ptac/TechnicalBriefs.aspx>. The Department will release at least four more technical briefs, covering the topics of Electronic Data Security, Data Access for External Researchers, Data Sharing across Sectors and Training. The Department encourages the public to review these resources as they become available and to direct comments to: [SLDStechbrief@ed.gov](mailto:SLDStechbrief@ed.gov).

#### PROPOSED CHANGES TO FERPA REGULATIONS

The Department has also released a Notice of Proposed Rulemaking (NPRM) outlining proposed amendments to its regulations implementing FERPA. Over time, interpretations of FERPA have complicated valid and necessary disclosures of student information without increasing privacy protections and, in some cases, dramatically decreased the protections afforded students. As States develop their longitudinal data systems, the Department has been informed of significant confusion in the education field surrounding what are permissible disclosures of personally identifiable student information from education records. This confusion has led to delays in developing these systems or States proceeding in ways that may ultimately jeopardize student privacy. It was imperative for the Department to propose clarifying amendments to the FERPA regulations to ensure that these systems are being developed in ways that would allow States to meet the requirements of the American Recovery

and Reinvestment Act of 2009 and the America COMPETES Act of 2007 and that do not put individual privacy at risk or create significant regulatory burdens. The proposed changes are designed to:

- Strengthen enforcement. We need stronger, more specific enforcement authority against entities (SEAs, student loan guaranty agencies, student loan lenders and nonprofits) that receive our funds, regardless if they have students in attendance.
- Ensure the safety of students. Schools need to have the flexibility to implement directory information policies that limit access to the information to prevent marketers or criminals from accessing the data but allow flexibility to pursue mundane uses of information such as yearbooks without getting consent.
- Ensure that our taxpayer funds are invested wisely in effective programs. It is vital to ensure that all State or federally funded education programs are adequately preparing children for success in the next stage of life, whether that is in kindergarten or the workforce. It is critical that we assess all taxpayer funded programs so that we target our investments effectively and learn what works and what does not. Currently there are perceived barriers to collecting this information that need to be fixed and regulatory burdens that do not increase the privacy protections afforded students that need to be addressed.

*10. The Administration's budget request includes very few concrete proposals to address the growing and unsustainable costs of the Pell Grant program. Although we need bold ideas, you gave us short-term fixes. Why has the Pell Grant program almost doubled in size in two years, and how does the Administration propose to address the problem five or ten years down the line?*

In recent years, the Pell grant program has undergone significant growth. Since 2008, we have seen our investment more than double, with an additional 3 million students receiving grants. The growth is primarily driven by the economy and higher enrollments. Other factors include the “Two Pell” provision, the auto-zero expansion, and the higher maximum award. In response to the growing costs of the Pell Grant program as currently structured, the Administration proposed a range of measures to reform program operations and funding. Our efforts to place Pell on a secure financial footing, rather than simply implementing a temporary fix, are at the center of our budget proposal. In particular, our Pell Grant Protection Act proposal will help ensure that students continue to receive the maximum grant of \$5,550, even in these challenging times. The single largest step is the elimination of the provision allowing for two Pell Grants per year. The cost of this policy is between \$4 and \$6 billion a year—more than 10 times higher than expected—and questions remain about whether the policy has meaningfully accelerated students’ degree completion. (The elimination of this authority was included in the continuing resolution that provides funding for federal operations for the remainder of FY 2011.) In addition, we propose to reduce loan subsidies for graduate and professional student borrowers, allow borrowers whose loan servicing is split among banks and the Department of Education’s loan servicing contractors to convert such servicing with a single servicer, and expand the Perkins Loan program as a lower-cost alternative to private student loans. Collectively, these tough choices and options will save over \$100 billion over the next decade and will put the Pell program on firmer financial footing. It remains our priority to protect the maximum grant of \$5,550 and ensure that we don’t force students out of the Pell Grant program. Also, through initiatives like reforming community colleges, College Completion Incentive Grants, and the Fund for Improvement of Postsecondary Education (FIPSE) “First in the World” competition, the Department is working to help more students graduate from college and to help them graduate sooner.

*11. More than 2,000 nonprofit colleges and universities have students with extremely low graduation rates who leave those institutions with massive student loan debt levels. Provide specific examples of what oversight the Department is conducting of the nonprofit sector.*

The Department is committed to supporting improved college outcomes that help students succeed and protect the taxpayer investment in the federal student aid programs. A specific example of reform that the Department is conducting of the nonprofit sector is enhancing our efforts around school comprehensive program compliance reviews. This process ensures that all institutions that participate in the Title IV Federal loan program meet certain standards of quality, and is conducted at each of the 6,200 participating schools. This is a holistic review of the institution, ensuring that standards are met in regards to eligibility and recertification, accreditation and state licensing, program reviews and administrative actions, default rates, and other complaints received from students or members of the community. The Department has increased its capacity to conduct program reviews of all institution-types by 50 percent since 2009.

Additionally, the Department of Education is attempting to set minimum standards for postsecondary programs that are required by the Higher Education Act of 1965 (HEA) to lead to “gainful employment in a recognized occupation.” These standards will apply to all career education programs, including certificate programs at public and non-profit institutions.

As part of our broader reform agenda, Congress made a \$2 billion investment over the next four years through the Trade Adjustment Assistance Community College and Career Training Grants program. The program will reward evidence-based practices that lead to successful student outcomes for students who enroll in community colleges. In addition, institutions will be encouraged to apply to develop a new generation of high-quality, cutting-edge shared courses and resources to help students learn more quickly, transfer high-impact practices more quickly and lower costs and to better meet workforce and industry needs.

The President’s FY 2012 Budget request also includes targeted investments to help disadvantaged students enroll in and complete college. This includes funding through FIPSE to test and fund innovative strategies for improving college access, quality, and completion, along with the College Completion Incentive Grant proposal to reward states and colleges that increase their number of graduates with a degree or certificate. These proposals are offset fully as part of our higher education and Pell Grant Protection Act proposals.

*12. The proposed College Completion Incentive Grant program would provide funds to states to encourage better student outcomes for colleges. However, the Department already operates the College Access Challenge Grant program. What is the difference between these two programs? What positive results have been documented from the Challenge Grant program that demonstrate the need to create additional state-based college programs when the federal government usually operates programs focused on institutional aid?*

The proposed College Completion Incentive Grant program (CCIG) is designed to provide grants directly to States, who will then make payments to institutions linked to measured performance outcomes. To participate, States would be required to set goals for increasing the number of students who successfully complete college and for closing the achievement gap for vulnerable student populations. States would also be encouraged to align high school graduation requirements with standards for postsecondary academic preparation, create stronger articulation agreements among systems and colleges, facilitate student transfers, and match Federal funds or provide their own performance based funding for institutions. The Department is proposing \$1.25 billion over the course of four years, which is offset fully as part of our higher education and Pell Grant Protection Act proposals.

The purpose of the College Access Challenge Grant Program (CACGP) is to foster partnerships among federal, state, and local governments and philanthropic organizations through matching challenge grants that are aimed at increasing the number of low-income students who are prepared to enter and succeed in postsecondary education. The College Access Challenge Grant Program is based on a formula designed to meet college access needs in each state and does not require states to make key policy changes prior to receiving funding. The College Completion Incentive Grant is a necessary investment for institutions that do a good job of supporting students through to completion, in line with the President’s goal that the U.S. once again lead the world in college attainment by 2020.

*13. What is the Department doing to protect the federal assets being held by the guaranty agencies, particularly since these entities may have to start winding down without new loans to guarantee? What is the Department’s plan for the guarantee agencies?*

The Department has increased the frequency of reporting from guaranty agencies from annually to monthly and maintains open lines of communication with guaranty agencies to ensure protection of Federal assets and that these agencies are continuing to provide high-quality service to students, borrowers, schools, and lenders. Additionally, each guaranty agency must submit an independent audit annually. These audits are reviewed by Department staff and inform our oversight of each agency. The Department is fully prepared to transition the functions of guaranty agencies that wish to leave or otherwise change their participation in the FFEL program or if the Secretary believes a transition is required to protect Federal assets and maintain high-quality service. In the past, the Secretary has successfully transitioned guaranty agency functions from one agency to another due to such circumstances. Moreover, the Department is considering inviting guaranty agencies to submit proposals for entering into a Voluntary Flexible Agreement with the Secretary, as permitted under the Higher Education Act. Under this authority, agencies could be encouraged to submit proposals outlining their ideas of how best these



agencies could individually or collectively ensure all required functions be carried out in light of their changing circumstances.

*14. How many federal programs operated by the Department have been evaluated for their effectiveness over the last two years and/or five years? Please provide a list of all federal education programs administered by the Department over the last five years and the increase or decrease in the program's budget over the last five years; denote whether each individual program has been evaluated within the last five years; detail the results of the program evaluations, if any; and cite the independent or Departmental source that conducted the evaluation.*

The Department has not tracked or consolidated results from all individual program evaluations in the exact format described. The links below provide lists of evaluations of the Department's programs conducted by the Program and Policy Studies Service and the National Center for Education Evaluation at the Institute of Education Sciences:

<http://www2.ed.gov/about/offices/list/opepd/ppss/reports.html>

<http://ies.ed.gov/ncee/projects/evaluation/index.asp>

The attached document includes a list of programs administered by the Department and their funding levels from FY 2008 through the President's FY 2012 request.

*15. As was mentioned in the hearing, I am very concerned about recent documents that have become available demonstrating that Department employees have corresponded with short sellers involved in proprietary colleges. I believe it is incumbent on the Department to be transparent about short sellers' involvement in the development of the gainful employment regulations. Please provide a list of all short sellers with whom any Department employee, past or present, including contractors, have communicated regarding the gainful employment regulation; what information was obtained from such short sellers; and how that information was used by the Department. Please also provide copies of all communications between all Department employees, including contractors, and short sellers regarding the gainful employment regulation.*

The Department of Education has operated with utmost integrity and transparency in its efforts to protect students and taxpayers. Senior officials and staff have reached out to as many people as possible, including numerous representatives from the for-profit industry, in its efforts to craft the most effective regulations possible—in fact, staff have communicated with more parties on all sides of this issue than on any other regulatory effort undertaken by the Department in its history. The Department received more than 90,000 public comments in response to its Notice of Proposed Rulemaking published on July 26, 2010. The Department believes a broad set of views leads to a more informed and positive process.

Because there is no public list of individuals or institutions with short positions on education stocks, we are unable to provide all of the records you requested. We will send you the related documents we have already released under the Freedom of Information Act.

*Representative Tom Petri*

*1. The Department published final regulations in the Federal Register (75 FR 67170) on November 1, 2010, designed to better regulate and eliminate fraud and abuse by foreign institutions. However, I am concerned that these regulations may have two significant unintended consequences and am hoping that the Department can clarify its intent on these two issues.*

*My questions relate to non-profit American institutions that are located outside of the United States but which are accredited in the U.S. and authorized by U.S. states to operate.*

*This includes institutions such as the American University of Paris, the American University in Cairo, and the American University in Beirut.*

*Under these new regulations, it is my understanding that the Department requires institutions it designates as "foreign schools" to be authorized to operate by their host governments and for these governments to recognize the school's diplomas as a prerequisite for the schools to be eligible to administer Title IV student loan funds.*

*I am very concerned that the second part of this requirement will be difficult to meet for American international colleges and universities because these schools often offer American-style degrees focusing more on a liberal arts education, something that may not be consistent with the degree recognition requirements of the countries where they reside.*

*If this is the case, then these regulations could have the extremely unfortunate consequence that American students would not be able to use Title IV student loan funds at these American schools if the schools are unable to obtain foreign recognition of their degrees. This would discourage American students from attending American schools in foreign countries at a time when we should be encouraging American students to study abroad to gain valuable international experience.*

*a) Given that these institutions meet the same requirements in terms of accreditation and state authorization as their peer institutions in the U.S., and that they are required to show authorization to operate from the country in which they are located, what is the Department's rationale for also requiring these schools to obtain foreign recognition of the degrees they offer?*

If an institution is not located in a State, under sections 101(a)(2) and 102(a)(1) of the Higher Education Act of 1965, as amended (HEA), it cannot be eligible under the regulations as a domestic institution. Rather, under section 102(a)(2)(A) of the HEA, the Secretary is required to establish regulatory criteria for the approval of foreign institutions and for the determination that they are comparable to institutions located in the United States.

One reason the Department did not rely on accreditation and state licensure in this matter is that by statute the Department cannot recognize accrediting agencies for their accreditation of foreign schools. See HEA 496(a)(1). For this reason, accreditation of foreign institutions would not be comparable to the oversight that exists for domestic institutions. In addition, States do not have jurisdiction to authorize the offering of postsecondary education and credentials in foreign countries, nor is there any way by which the Department could ensure that a State that "authorized" a foreign institution even had any of its citizens enrolled. Also, the Department believed it important to have oversight of federal tax dollars beyond that which might be entailed by a foreign government issuing a business license in exchange for a licensing fee and perhaps tax revenue. The final regulations you reference were subject to the negotiated rulemaking process. This is a process through which the Department works to develop proposed regulations in collaboration with representatives of the parties who will be significantly affected by the regulations. The proposed regulations, published in the Federal Register on July 20, 2010, were agreed to by all members of the negotiating committee. Final regulations were published November 1, 2010, and will be effective July 1, 2011.

*b) Has the Department taken any steps towards determining what institutions might be at risk of losing eligibility for Title IV student loans if these institutions are not able to obtain recognition of their degrees by their host country? Is the Department concerned about the loss of eligibility that may occur for those institutions who do not already comply with this requirement? If so, is the Department taking action to remedy this situation?*

We have evaluated documents from five institutions, including the American University of Paris, the American University of Cairo, and the American University of Beirut. Thus far, we have not determined that any institution is out of compliance with these requirements. In addition, we have reviewed our files to identify all of the other similarly situated institutions (there are fewer than ten), and have begun obtaining information relevant to these requirements regarding those institutions. We will be in contact with institutions if additional information is needed and are committed to working with institutions to identify the options available for demonstrating compliance with these requirements.

*c) Would permitting the Department to make separate regulations for these American international colleges and universities solve this problem?*

Establishing a separate category of eligible institutions specifically for these colleges and universities would be one way to address this problem.

*2. I am very concerned that these new regulations would also prohibit American students who are pursuing a degree abroad at American international colleges and universities from using Title IV funds to study in the U.S. at accredited U.S. colleges and universities for a semester or a year as part of their program (without having to take additional steps of withdrawing from the international college or university). Can you clarify the Department's rationale for prohibiting U.S. students from using Title IV aid to attend accredited U.S. institutions in the U.S.?*

The final regulations were developed for several reasons. To begin with, the rules will prevent abuses by institutions that seek to circumvent other Federal requirements by more clearly distinguishing a foreign institution from a domestic institution. For example, these regulations prevent a domestic institution that has established an offshore location but expects the majority of its students' coursework to be completed in the United States from claiming to be a foreign institution to avoid

the requirements applied to domestic institutions, such as recognized accreditation. In addition, the Department wants U.S. students attending postsecondary institutions in the United States to be eligible for the full range of Title IV, HEA program funds available to domestic institutions. It does not want a foreign institution to send its U.S. students to a U.S. location of a foreign institution, or to a U.S. institution with which it has an agreement for their education, because students enrolled in a foreign institution are only eligible for Direct Loans. For this reason, the Department believes that for U.S. students who wish to attend a program partially in the U.S. and in a foreign institution, it is preferable that the students enroll in the U.S. institution and attend the foreign institution through a written arrangement, rather than the other way around. The Department has offered to work with foreign institutions to assist them in restructuring their programs in this manner in order to continue to make Title IV Federal student financial aid available to U.S. students who attend them.

*Representative Virginia Foxx*

*1. Other than the Individuals with Disabilities Education Act (IDEA), is there a single program in the Department that has demonstrated success as a direct result of spending from the federal government? Can you prove anything has come out of one dollar of spending from the federal government?*

The Department of Education invests in a number of programs that have demonstrated measured success. In addition to IDEA, Title I, Part A and Title III of the Elementary and Secondary Education Act have resulted in significant increases in achievement for students targeted by these programs. For example, since 1996 on the National Assessment of Educational Progress (NAEP), 4th grade math scores for students eligible for the National School Lunch program have increased 20 points to 227. Over the same period, 4th grade math NAEP scores for English Learners have increased 17 points.

In higher education, where Pell Grants are the foundation of student aid, the percentage of low-income high school graduates continuing on to college has nearly doubled in the last 30 years. The Department has also provided institutional aid to Historically Black Colleges and Universities, Hispanic Serving Institutions and other Minority Serving Institutions that serve as the backbone of higher education for many communities across the country and are critical to college access for many minority students.

Investments made by the Department have also leveraged significant reform throughout the country. Race to the Top made it possible for states to develop groundbreaking, comprehensive reform plans and make significant progress on issues that were previously considered intractable. These reforms are moving forward in both winning and non-winning states.

But we need to do more as there are still significant achievement gaps. And, there are too many students dropping out of school, and not enough students completing postsecondary education.

Building the evidence base is a key part of new programs in the Department such as Investing in Innovation (i3). The program includes an evidence requirement for the Department to provide less funding for applicants with less evidence and more funding for applicants with more evidence. Each i3 grantee is also required to conduct a rigorous program evaluation to further build the evidence base for future proposals.

*Representative Richard Hanna*

*1. When was the last time the Department conducted a comprehensive audit of all its regulations to determine the cost passed down to schools and the number of hours spent implementing these regulations by state educational agencies and local educators?*

The President issued a memorandum to Executive Departments and Agencies in February calling on Federal agencies to work with State, Tribal, and local governments to reduce unnecessary regulatory and administrative burdens in order to focus resources on achieving better outcomes at lower cost. The Department will be working with OMB and other agencies on this effort and is required to identify regulatory and administrative requirements that can be streamlined, reduced, or eliminated, and where increased State flexibility could be provided to achieve the same or better outcomes at lower cost.

The Department is also required under the Paperwork Reduction Act of 1995 (PRA) to estimate the burden on grantees and subgrantees for maintaining and collecting information under programs of the Department. The Department is required under the PRA to calculate the costs of these burdens whenever a new requirement to maintain or collect information or is established and reconsider those burdens

every three years thereafter. Each time that a new information requirement to collect or maintain information is established or reconsidered, the public has the opportunity to comment on the reasonableness of these estimates through the PRA review process, which requires the Department to publish notices in the Federal Register soliciting public comment on the proposed burdens.

*Representative Todd Rokita*

*1. The budget request put forward by President Obama for the Department represents a 10.7 percent increase over current levels. In the last three years, the Department has had nearly a 68 percent increase in its budget. At a time when we are asking most American families to tighten their belts and survive in a weakened economy, how can the Administration responsibly ask for this level of funding?*

The Department's budget request includes many tough choices, including reductions in spending, program eliminations, and consolidations. To rein in Pell costs, the Budget proposed eliminating the "Two Pell's" policy and changes to student loan programs to generate significant savings to support Pell Grants. The proposed reduction in career and technical education (CTE) funding indicates our support for fiscal discipline as well as a recognition that the CTE system is characterized by uneven quality and has limited high-quality data on student outcomes. The Budget also proposes the elimination of 13 programs and the consolidation of 38 programs into 11 new authorities aligned with the Administration's Elementary and Secondary Education Act (ESEA) reauthorization proposal.

The Budget, however, is about balancing critical investments needed to grow our economy and targeted cuts that represent responsible reductions needed in difficult fiscal times. President Obama has said that to win the future, we have to win the education race so that "every American is equipped to compete with any worker, anywhere in the world." That is why his 2012 Budget would provide the resources we need to educate our way to a better economy.

*2. Mr. Secretary, you have been on record that within the Department's proposed budget you have consolidated 38 programs and eliminated 13. While I commend your first steps, there is still more to do. You have at least two programs in this budget, totaling \$3 billion, which would be used to "recruit, develop, retain and reward effective teachers." Why do we continue to see duplicative programs within your Department?*

Our Excellent Instructional Teams initiative would consolidate nine programs that focus on teaching and school leadership into three programs better designed to help States and LEAs recruit, prepare, support, reward, and retain effective teachers and school leaders, with a priority on improving teacher and school leader effectiveness and learning for all students. Each of the programs in our proposal has a distinct role in driving educator workforce reforms. The Effective Teachers and Leaders State Grants program would provide formula grants to all States and districts to support the development of rigorous and fair teacher evaluation systems that are aligned with professional development opportunities and ensuring the equitable distribution of effective teachers and leaders. While this formula program would support and incentivize all States to implement essential reforms, the Teacher and Leader Innovation Fund would make competitive awards to States and LEAs willing to implement bold approaches to improving the effectiveness of the educator workforce, including innovative performance-based compensation systems. The third program in our proposal is the Teacher and Leader Pathways program, which would make competitive grants to create or expand pathways into teaching, through high-quality programs such as teaching residency programs. This approach of integrating formula and competitive funding streams would be more effective than the current array of largely disconnected programs and an important step in realizing our goal of getting great teachers into our classrooms and great principals into our schools.

*3. While I know that you are not supportive of a policy of "Last In First Out" regarding teacher layoffs, and are open to moving towards a teacher evaluation model, can you explain to the Committee why you support teacher collective bargaining agreements that contain provisions about teacher layoffs with no consideration of teacher and/or student performance?*

We need to look hard at the impact of staffing rules and policies on students, especially in high-poverty and low-achieving schools. We also have to make sure that the teachers having the biggest impact remain in the classroom. But many States and districts don't have systems in place that even identify who these teachers are. For this reason, one of the Department's greatest priorities in ESEA reauthorization is to ask States and districts to develop and implement fair, rigorous teacher and principal evaluation systems that meaningfully differentiate teachers and principals by effectiveness and are based, in significant part, on student academic growth, but

that also use other meaningful measures of a teacher's practice and impact. These systems will help identify teacher and principals who are succeeding. This is an essential step toward enacting State laws, labor contracts and personnel practices to support our best teachers and keep them in schools. Throughout this process, we are committed to building on the successful collaborative efforts taking place across the nation.

At our labor-management collaboration conference this February, we saw teacher leaders, administrators and school board members from across the country who have found new ways to work together to focus on student success. We expect this collaboration to lead to new contracts and agreements that will dramatically improve the way teachers teach and students learn, and that will focus efforts on improving student learning. We are learning from these successful collaborative efforts and challenging other districts to take action. Collective bargaining agreements can be a tool to drive student achievement. Bold reforms are most achievable, most effective, and most sustainable when they are designed and implemented in collaboration with teachers.

*Representative Kristi Noem*

*1. Mr. Secretary, the budget proposal converts several formula programs to competitive grant programs. It includes a rural priority for many of these programs. How will the conversion to competitive grants impact rural communities and how will this new priority work in practice?*

The President's budget maintains funds for the Rural Education Achievement program (REAP) and other critical formula programs, such as Title I, Title II-A, and the Individuals with Disabilities Education Act, that support schools in rural areas and elsewhere. At the same time, the budget invests in high-impact initiatives that make the best use of scarce resources and drive reform. All schools, including rural schools, will benefit from competition that drives reform, spurs innovation, and rewards success. In some cases, we believe that competition provides the best framework to challenge the status quo and improve student outcomes. The Department will use a number of strategies to better support prospective rural applicants and ensure that size and geography do not prevent rural schools from having a fair chance to successfully compete. In the Race to the Top district competition and Investing in Innovation programs included in our FY 2012 budget, we propose to carve out funds for rural applicants to ensure that a portion of funds goes to rural areas. In other grant competitions, the Department will use absolute priorities and competitive priority points to level the playing field for remote schools with limited resources and staff. Other strategies to ensure that rural districts can successfully compete include recruiting and training peer reviewers with rural expertise, providing additional technical assistance, holding pre-application webinars, and encouraging consortia and partnerships to increase capacity, expertise, and resources for rural applicants. For this last strategy, the Department has encouraged small schools and districts to work with Educational Service Agencies (ESAs), colleges, and universities. We have also engaged the philanthropic and nonprofit communities in an effort to better support high-need rural schools. Completing our set of strategies, we will work to increase States' capacity to support rural schools and districts through the work of our Comprehensive Centers as well as by providing technical assistance to REAP State Coordinators.

*2. Mr. Secretary, Impact Aid payments to some school districts are years behind. What is the Department doing to improve payment times to these districts?*

We recognize that historically, there has been a problem of delays in getting final grant payments out and we are taking steps to fix it. We know it is important to get districts these funds, especially in difficult budget times.

One obstacle to getting final grant payments out in a timely fashion has been delays in determining estimated assessed values (EAV) for the federal property within the section 8002 program—payments relating to Federal acquisition of real property. We are interested in working with Congress to streamline this process from a prolonged back-and-forth with a small number of districts over the correct property value, delaying allocations. The Department's Impact Aid office has made significant progress speeding up processing of these payments and has dedicated additional staff to support the effort. Beginning with FY 2010, new section 8002 regulations adopted in 2008 changed the application procedures to require reviews of all applicants. Because FYs 2010 and 2011 had not been reviewed and the new regulations institute a three-year cycle for FYs 2010-2012, we will review applications for FYs 2010-2012 concurrently. This action will ensure that we are able to catch up to the current application year (FY 2012) and decrease the backlog in payments. The Impact Aid office has closed and finalized payments for FYs 2006, 2007, and

2008 and is currently working to close out payments for FY 2009 by the end of the summer.

*Representative Robert Scott*

*1. How does the Department intend to structure its response to schools that are not making adequate yearly progress (AYP)? Currently, responses are targeted to the entire school or to groups of students that may not need it. Does the Department intend to target assistance specifically to those groups of students within a school who need it most?*

Under the Administration's proposal for ESEA reauthorization, the current system of AYP would be replaced by a system that focuses on the 5 percent of schools that represent the lowest achieving schools in the State that also are not improving, the next 5 percent of such schools, and schools with persistent achievement gaps. The bottom 5 percent of schools would be required to implement dramatic reform strategies to support better outcomes for students, and the next 5 percent of schools would be required to implement research-based, locally determined strategies to help them improve. Schools with persistent achievement gaps would target data-driven interventions to support those students who are furthest behind and close the achievement gap. By asking states to identify these schools with the largest achievement gaps, our proposal would ensure that States and districts focus on the students furthest behind. Beyond these categories of particularly high need schools, states would be required to have a plan to differentiate and support all of their schools, which should include how the State will determine what each school's needs are and how it should focus improvement efforts.

*2. What is the Department's strategy to ensure that more students attend and complete their college education?*

A wide range of factors influence a student's ability to attend college and earn their degree. The Department has adopted a broad strategy to address each of these issues in an effort to improve both college enrollment and degree completion rates as it works to achieve President Obama's goal of ensuring that the United States once again leads the world in college completion. The Department also is pursuing opportunities to raise awareness of promising practices that individual institutions and States are engaging in that others may wish to adopt. We incorporated the goal of improving postsecondary student outcomes relating to enrollment, persistence, and completion into the Department's supplemental priorities, which were published in the Federal Register in 2010 and are now being used in a number of discretionary grant programs. The Department has been using the priority related to improving postsecondary student outcomes relating to enrollment, persistence, and completion in all appropriate discretionary grant competitions to ensure that every available Department resource is used to effectively address the issue of completion. Moreover, the Department recently published a College Completion Tool Kit, which details how States can use existing programs and funding, such as the Educational Opportunity Centers program and College Access Challenge Grants, to significantly improve degree completion rates at their postsecondary institutions. Looking beyond its own programs, the Department is partnering with the Department of Labor to assist with the implementation of community college support programs across multiple agencies.

In addition to incorporating the completion agenda into existing programs, the President's 2012 budget request proposes several targeted investments to help disadvantaged students enroll in and complete college. The Administration has proposed the creation of a College Completion Incentive Grant program designed to, among other things, help States align high school graduation standards to postsecondary academic requirements and support postsecondary institutions as they develop ways to measure and use performance outcomes. Similarly, a "First in the World" competition would refocus the FIPSE program on the most needed and likely-to-succeed institutional reform efforts. And, the Advanced Research Projects Agency for Education (ARPA-ED) would help to support broad transformational change in American higher education. The Department will continue to use all of its resources to highlight the issue of college completion and productivity and make a compelling case for action.

*3. Every child and every classroom deserves a qualified and effective teacher, not simply someone who appears highly qualified on paper. How does the Department intend to gauge whether a teacher is actually effective in the classroom? In addition, how will this be gauged without creating an anti-collaborative atmosphere? In other words, teachers may not want to collaborate or take on lower-performing students if it will adversely affect their performance rating. How does the Department intend to*

*balance the need for qualified and effective teachers with collaborative environments and promote professional development for underperforming or ineffective teachers?*

Through Race to the Top, our proposals for ESEA reauthorization, and other initiatives and programs, we are supporting the development and implementation of teacher and principal evaluation systems that take into account multiple measures, giving significant weight to the teacher's track record of improving student learning, while also considering other meaningful measures of a teacher's instructional practice. The measurement of a teacher's impact on student learning should be based on the progress a student makes over the course of the year, not just on one test on one day.

These systems should be designed in collaboration with teachers and based on fair, rigorous measures that take good teaching as seriously as the profession deserves. Schools and systems that do this work successfully cultivate strong, supportive school cultures that use evaluation systems to identify ways for teachers to better collaborate and learn from each other. Currently, too many evaluation systems just label 99 percent of teachers as satisfactory and do little to help teachers improve. Our Excellent Instructional Teams initiative in our ESEA proposal places a priority on providing teachers the support they need and on building a culture where collaboration is the norm. From pre-service to induction and throughout a teacher's career, we believe that professional development should be school-based, job-embedded, and provide opportunities for educators to work collaboratively, such as through classroom coaching, data analysis teams, peer observation, and the provision of common planning time. Systems that identify teacher strengths and needs, connect teachers with mentorship and professional development opportunities, and recognize and retain great teachers (like the ones our proposals will support) can ensure a qualified and effective teacher for every child, and a strong, supportive school environment for every teacher.

*4. While recognizing that AYP as we currently know it may change in ESEA reauthorization, it is nonetheless imperative that all schools are held accountable by the federal government for the performance of all students. Is the Department committed to federal accountability for all schools and all students? Does the Department intend to include a meaningful high school graduation rate factor as part of the new accountability system and if so, what will that look like?*

The Department is absolutely committed to strong accountability for all schools and all students. Our proposal for ESEA reauthorization includes a fair, flexible, and focused accountability system that requires dramatic change in the 5 percent of schools that represent the lowest achieving schools in the State that also are not improving, and research-based, data-driven interventions in the next 5 percent of such schools, and schools that are not closing significant, persistent achievement gaps. Beyond these particular categories, States would be required to have a plan to differentiate and support all of their schools, and determine what actions to take in improving them. We have also proposed meaningful district and state accountability, to ensure that all levels of the system are responsible for student success.

The Department does intend to include meaningful high school graduation rates as part of the new accountability system. States, districts, and schools would be required to publicly report data on four-year adjusted cohort graduation rates, disaggregated by subgroup, and states would include graduation rates in their identification of schools that are in need of intervention and support.

*5. Are any programs permitted to discriminate based on religion using federal funds supplied, granted or otherwise given out by the Department of Education?*

The Education Department General Administrative Regulations (EDGAR) expressly provide that in the selection of grantees and contractors, the Department and grantees shall not discriminate for or against a private organization on the basis of the organization's religious character or affiliation and that private organizations that receive grants or contracts under Department programs may not discriminate against a program beneficiary or prospective beneficiary in the provision of program services on the basis of religion or religious belief. However, these regulations also provide that a religious organization's exemption from the Federal prohibition on employment discrimination on the basis of religion is not forfeited when the organization receives assistance from the Department or a grantee. Additionally, Title IX of the Education Amendments of 1972, which prohibits discrimination on the basis of sex, states "this section shall not apply to any educational institution which is controlled by a religious organization if the application of this subsection would not be consistent with the religious tenets of such organization." See also the Title IX regulation implementing this provision at 34 CFR 106.12.

6. *The Department continues to place an emphasis on charter schools despite several reports finding that they do not serve students better than traditional public school and many in fact perform worse than traditional public schools. What is the Department doing to ensure that civil rights, including for students with disabilities, are applied to charter schools?*

The Department is committed to supporting the establishment and maintenance of high-quality public charter schools, including strong measures to promote charter accountability, as part of an overall comprehensive strategy focused on ensuring that all students have an equal opportunity to receive a quality education that will prepare them for academic and professional success in an increasingly global world. Charter schools must, as must traditional public schools, comply with our nation's civil rights laws so that each and every student has equal access to a quality education irrespective of race, color, national origin, sex, or disability.

The Department's Office for Civil Rights (OCR) is charged with enforcing Title VI of the Civil Rights Act of 1964 (prohibiting discrimination based on race, color, or national origin by federal recipients); Title IX of the Education Amendments of 1972 (prohibiting discrimination based on sex by federal recipients); Section 504 of the Rehabilitation Act of 1973 (prohibiting discrimination based on disability by federal recipients); and Title II of the Americans with Disabilities Act of 1990 (prohibiting discrimination based on disability by public entities irrespective of whether they are federal recipients). In advancing its mission to bring equity into the classroom, OCR and its twelve regional offices use all the tools that are at their disposal, including complaint resolutions, compliance reviews, policy guidance, and technical assistance.

OCR remains committed to using its tools to address potential civil rights violations at charter schools. For example, of the headquarters-initiated compliance reviews that will be launched this fiscal year, several will involve charter schools. OCR and its twelve regional offices also provide technical assistance to federal recipients, parents, students, and community stakeholders so that they can better understand their rights and responsibilities under our civil rights laws.

Additionally, State educational agencies that apply for grants under the Charter Schools Program (CSP) are required to provide in their grant application a description of how a charter school that is considered an LEA under State law, or an LEA in which the charter school is located, will comply with sections 613(a)(5) and 613(e)(1)(B) of the Individuals with Disabilities Education Act (IDEA). SEAs that receive CSP grants are required to ensure that any charter school receiving a subgrant provides assurances that it is in compliance and will continue to comply with the Age Discrimination Act of 1975, Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and Part B of the Individuals with Disabilities Education Act. We closely monitor State compliance with this provision, including monitoring whether the SEA itself closely monitors its subgrantees to ensure ongoing compliance with IDEA and other Federal laws.

Finally, the Department uses CSP National Activities funds to provide technical assistance to charter schools and other charter school stakeholders in the area of serving students with disabilities.

7. *Research shows that disparities exist in discipline treatment by gender as well as by race and ethnicity for all students, including pre-kindergarten students. In fact the Yale University Child Student Center conducted a study of almost 4,000 pre-kindergarten classrooms representing all 52 of the national state-funded pre-kindergarten systems. The research found that African-American students attending state pre-kindergarten programs were approximately twice as likely to be expelled as preschools of European descent. Further, boys were over 4 1/2 times more likely to be expelled than girls. Importantly, these data demonstrated that being both a boy and a racial/ethnic minority places a preschooler at dramatically greater risk for expulsion. African American boys were 8.76 times as likely as African American girls to be expelled. Similarly, Latino boys are 6.66 times as likely as Latina girls to be expelled. Given that high-quality preschool programs improve school readiness and reduce racial/ethnic disparities in school readiness, preschool serves as a critical tool in reducing the racial/ethnic disparities in achievement in K-12 education. Monitoring disparities in discipline of preschoolers now promises to encourage local education agencies to address this problem sooner rather than later. Delaying examination of disparities in this area could contribute to and potentially worsen unequal education opportunities. Your testimony suggested that the Department of Education intends to address disparities in discipline and expulsion rates of students. Could you please explain in greater detail how the Department of Education intends to address the disparities in discipline and expulsion of students? Also, how does the De-*



*partment specifically intend to address the disparities in expulsion of preschool students within its budget and in general?*

The Department's Office for Civil Rights (OCR) is using all the tools at its disposal to address the disparities in student discipline and help support schools to meet the challenge of adopting effective and appropriate disciplinary policies, practices and procedures that do not violate a student's civil rights.

With regard to its enforcement actions, OCR receives and resolves approximately three hundred individual complaints annually alleging discrimination in the administration of student discipline based on race, color, and national origin. Additionally, OCR launched several compliance reviews in 2010 and 2011 touching on the administration of student discipline under Title VI of the Civil Rights Act of 1964.

With regard to its technical assistance and policy guidance efforts, OCR is developing guidance, in the form of a Dear Colleague Letter, that will inform states and districts about their responsibilities in avoiding discrimination based on race, color, and national origin in the administration of student discipline which would apply to all students in schools receiving federal financial assistance, including preschool students. Furthermore, OCR in partnership with the Educational Opportunities Section of the Civil Rights Division of the Department of Justice, convened conferences last fall in Washington, DC and San Francisco, CA on civil rights and school discipline.

Finally with regard to data, the Department received Office of Management and Budget (OMB) clearance to significantly enhance the data it collects on discipline as part of the 2009-10 Civil Rights Data Collection (CRDC). This included expanding the types of discipline data and collecting separate discipline data for students with disabilities and students without disabilities. The revised collection will include data on corporal punishment, in-school and multiple suspensions, referrals to law enforcement, school-related arrests, and zero tolerance policies. The Department anticipates that these data will be available in late summer. The Department received approval from OMB to collect data from a universe of all LEAs for the 2011-12 CRDC. The last time a universal CRDC was conducted was in 2000. The Department also received approval from OMB to collect data on suspensions and expulsions in preschool programs operated by SEAs and LEAs as part of the 2011-12 CRDC. These data, like other data collected by the CRDC, will be disaggregated by race/ethnicity, disability, LEP and sex.

*8. Has the Department considered developing data collection software for the states in order to help ease their regulatory paperwork burden?*

The Department has done significant work to utilize electronic data submission processes to streamline the data reporting for State educational agencies and maximize the utility of the data. A multitude of data collections that were historically done through paper collections or non-machine readable formats have been converted into less burdensome web-based collection methods to make data reporting easier for SEAs.

This includes, for example, much of the data required by the Elementary and Secondary Education Act (ESEA), the Individuals with Disabilities Education Act (IDEA), the Gun-Free Schools Act, the Consolidated State Performance Report, and the Carl D. Perkins Career and Technical (Perkins).

By moving to electronic data submissions, the burden on States and districts can be further reduced by utilizing the data reported once to meet multiple requirements. For example:

- The Department's Civil Rights Data Collection (CRDC) traditionally collects its data directly from LEAs. However LEAs also report some of these same data to their SEAs. With the school year 2009-10 CRDC, the Department was able to use some of the information that States submitted to EDFacts so districts didn't have to "double-report" the data on the number of students with disabilities served under IDEA or the number of graduates and high school completers at the end of the school year.

- Most SEAs have been approved to meet the data reporting obligations for both ESEA and IDEA by submitting special education data once to EDFacts, and no longer need to submit those duplicative data elements through the manual process for IDEA.

- SEAs approved to meet data reporting obligations for both ESEA and Perkins by submitting performance data once to EDFacts no longer need to submit those data elements through the manual process for Perkins.

In school year 2008-09, the non-fiscal Common Core of Data collection was fully consolidated into the EDFacts collection, which alleviated SEAs from doubly reporting these data to the Department each year.

*Representative Carolyn McCarthy*

*1. Secretary Duncan, as you know, I have been an advocate for reducing violence, bullying, and other activities that make our schools unsafe and make learning difficult. I would like to ask you about the consolidation of several existing school safety programs into the new Successful, Safe, and Healthy Students program. While I support flexibility in funding, I'm concerned about the possibility of losing sight of individual priorities within in a consolidated framework. I am specifically concerned with cuts to the Readiness and Emergency Management for Schools program. Can you talk about how this new approach will address the variety of different challenges faced by schools?*

The proposed Successful, Safe, and Healthy Schools (SSHS) program would consolidate several programs into a single framework in order to accomplish three major goals:

1. Improving safe school evaluation by using student surveys to assess school-level conditions, so that school officials can monitor multiple risk factors and protective factors in order to watch for school improvement or decline. By supporting efforts to improve safe school evaluation using State and locally chosen student surveys, SSHS would enable individual schools to better monitor and respond to a broader range of health and safety priorities, including risk factors (such as student weapons possession, physical fights, bullying, harassment, substance use, and teen dating violence) and protective factors (such as student engagement, mental health, nutrition, and physical activity).

2. Improving access to financial assistance for the schools and school districts with the greatest need for safe school improvement. Federal safe school surveillance efforts show that there are pockets of youth violence amongst schools. During the 2007-2008 school year, about 75 percent of schools recorded one or more violent incidents, but 24 percent recorded 20 or more violent incidents (School Survey on Crime and Safety, National Center for Education Statistics.) Under the current authorization, the Department administers multiple small, competitive grant programs to fund local safe school efforts. Each grant program requires educational agencies to spend time and effort preparing an application, and, at the end of competition, funds may go in a disjointed manner for related but overlapping purposes, making it difficult for schools and districts to plan for and implement activities that address school safety issues comprehensively. A consolidated framework would reduce application burden, help to identify unsafe schools by improving school-level assessment, and enable states, districts, and schools to implement comprehensive programs that focus on schools with greatest need.

3. Allowing educational agencies to utilize grant funds in a manner that suits the unique, local needs of schools and school districts. Currently, the Department administers a number of safe school grants, each offering a short, fairly restrictive list of program options. These grants may not be helpful to an unsafe school that already implements the types of activities supported by the programs or has needs that don't quite fit into the current criteria. Because many safe school programs and activities often allow a school to address a range of priorities (improving access to mental health services might be selected to address substance use or school violence), we have proposed a consolidated framework to ensure that unsafe schools are able to access the solutions they need using federal safe school dollars.

President Obama's FY 2012 budget request would provide \$365 million for the Successful, Safe, and Healthy Students (SSHS) program. Under the national activities authority in this program, we would provide \$6 million for State Emergency Readiness Preparedness, which would provide competitive grants to States to help build state-level capacity for emergency preparedness and to respond to and recover from emergencies and crisis events. Also, we would provide \$2.2 million for the Readiness and Emergency Management for Schools (REMS) Technical Assistance Center, which would allow the Department to continue its support of this important investment that has provided technical assistance for schools, districts, states, and institutions of higher education on emergency management issues. Our proposal to fund grants to States is consistent with the National Commission on Children and Disasters recommendations to the President and Congress. In this 2010 report, the Commission recommended that "competitive disaster preparedness grants be awarded to States through the REMS program as an initial step toward developing innovative models designed to ensure a higher level of school preparedness statewide."

*2. Secretary Duncan, we have heard the President call on parents to take a more active role in their children's education. As you may know, Representative Platts and I have been working on this issue within the committee, and we have introduced the Family Engagement in Education Act. How can the Department and Congress en-*

*courage more meaningful parental involvement in our efforts to reform the public education system?*

The federal government has often contributed to a fragmented and non-strategic approach to family engagement by offering small, siloed funding streams with narrow purposes and strict requirements. The Administration's proposal for ESEA reauthorization would help change that by preserving and expanding foundational funding for family engagement, similar to the proposal in the bill that you introduced. We have proposed doubling the 1 percent set-aside for family engagement in Title I and giving more flexibility in working towards key outcomes, as well as giving districts a greater share, to enable them to partner with nonprofits and coordinate a district-wide approach to engaging parents at all levels of schooling and before kindergarten entry. We've also proposed, for the first time, allowing states to set aside 1 percent of their Title I funds to scale up promising and proven approaches to family engagement that have been developed by nonprofits and districts. We believe this will be a key lever for identifying what works and scaling it up.

Also, instead of thinking of family engagement as a matter of particular funding streams, it's important to put in place a context for coordinated and aligned strategies that drive towards the most important outcomes. That's why our proposals embrace and emphasize the vital role that families play in their children's learning at all stages of their child's development and academic career. For example, we want to make sure that parents know whether their children are prepared for college and a career by ensuring that all states have high standards and providing families with better data about where their students and schools are. This will help empower families to take action in their children's learning and improving their schools.

*3. Secretary Duncan, we have heard the administration advance the idea of tying teacher pay to the performance of their students. While I support using student performance as a component of teacher evaluations, I believe that we need to have a more comprehensive approach to teacher evaluations. In the 111th Congress, I introduced legislation, the Teacher and Principal Improvement Act, which, among other provisions, will incorporate the classroom practices of teachers along with student performance to provide a more complete picture of an individual teacher's performance. Evidence of classroom practices that would be evaluated include: observations of the teachers, videos of teacher practice, lesson plans, and parent, student, and peer feedback. By looking at the actual practices of teachers in the classroom, we will be better able to understand teacher effectiveness and evaluate teachers on a fairer, evidence-based basis.*

*Does the administration support a more comprehensive approach to teacher evaluations, such as that contained in my Teacher and Principal Improvement Act?*

We agree with you that teacher evaluations should be informed by multiple measures, including student growth and also other measures of a teacher's instructional practice. Evaluations informed by a rigorous and fair set of measures, including student growth in significant part but also other measures, can most fairly and effectively inform both compensation and also the ways that schools support and develop teachers, and connect them with opportunities for collaboration and professional growth. This is an approach we have supported through Race to the Top and the Teacher Incentive Fund, as well as in our proposals for ESEA reauthorization.

This is an area where many states, either on their own or with the support of Race to the Top, are pioneering innovative new approaches to measuring teacher classroom practices. Your home state of New York, with support from its Race to the Top grant, is in the process of developing a teacher evaluation system that includes both student growth and also other measures like classroom observations against a fair and objective rubric, and student and parent feedback. Systems like this—in schools in New York and across the country—will help support and advance our teachers, and will help ensure that every student benefits from effective teaching.

*4. Secretary Duncan, as you know, I have worked to reduce school violence, especially gun violence in our schools. Loopholes exist in the Gun-Free Schools Act that prevent us from being as effective as we need to be in appropriately monitoring and preventing guns from ending up on school campuses. In the 111th Congress, I introduced the Safe Schools Against Violence in Education Act which, among other provisions would close some of these loopholes and strengthen the protections in current law. Specifically, the bill requires that local educational agencies report not only expulsions for incidents related to firearms, but also include information on incidents leading to suspension as well. The bill also expands the scope of current law to include not only incidents that occur on school campuses, but also include incidents occurring on school buses and events for which the local educational authority is re-*

*sponsible. Finally, the bill requires all incidents that occur on school grounds, not just those committed by students.*

*I look forward to working with you and the President to make sure our schools are safe and gun free. What steps are being taken by the Department to continue to ensure the safety of our schools? Specifically, is the Department looking at ways to improve the Gun-Free Schools Act?*

The Administration recognizes the need to ensure that schools provide a safe and supportive environment free from physical violence and substance abuse. As described in the answer to your first question, the proposed Successful, Safe, and Healthy Schools (SSHS) program would assist schools in fostering a safe environment. Specifically with regard to gun safety, the Department is still reviewing options for reauthorization of the Gun Free Schools Act.

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DEPARTMENT OF EDUCATION SUMMARY OF DISCRETIONARY FUNDS FY 2008-FY 2012 PRESIDENT'S BUDGET

[In thousands of dollars]

Office, account, program and activity	2008 Approp- riation	2009 Approp- riation	Recovery Act	2010 Approp- riation	2011 Approp- riation	Change from FY2011-FY2012	
						Amount	Percent
<b>ELEMENTARY/SECONDARY EDUCATION (K-12)</b>							
Elementary and Secondary Education (ESEA):							
Race to the Top .....	0	0	4,350,000	0	TBD	900,000	.....
Investing in innovation .....	0	0	650,000	0	TBD	300,000	.....
College- and career-ready students (Title I grants) .....	13,898,875	14,492,401	10,000,000	14,492,401	TBD	14,792,401	.....
School Turnaround Grants .....	491,265	545,633	3,000,000	545,633	TBD	600,000	.....
Early learning challenge fund .....	0	0	0	0	TBD	350,000	.....
Effective teaching and learning: Literacy .....	0	0	0	0	TBD	383,348	.....
Effective teaching and learning: STEM .....	0	0	0	0	TBD	206,046	.....
Effective teaching and learning for a well-rounded education .....	0	0	0	0	TBD	246,084	.....
College pathways and accelerated learning .....	0	0	0	0	TBD	86,000	.....
Effective teachers and leaders state grants .....	0	0	0	0	TBD	2,500,000	.....
Teacher and leader innovation fund .....	0	0	0	0	TBD	500,000	.....
Teacher and leader pathways .....	0	0	0	0	TBD	250,000	.....
Expanding educational options .....	0	0	0	0	TBD	372,000	.....
Assessing Achievement .....	408,732	410,732	0	410,732	TBD	420,000	.....
Magnet schools assistance (Part C) .....	104,829	104,829	0	100,000	TBD	110,000	.....
Promise Neighborhoods .....	0	0	0	10,000	TBD	150,000	.....
Successful, safe and healthy students .....	1,081,166	1,131,166	0	1,166,166	TBD	364,966	.....
21st century community learning centers .....	700,395	730,000	0	750,000	TBD	1,266,166	.....
English Learner Education .....	1,240,717	1,265,718	100,000	1,276,183	TBD	750,000	.....
Impact Aid .....	6,506,141	6,148,589	850,000	6,151,979	TBD	1,276,183	.....
Other ESEA .....					TBD	877,992	.....
Subtotal, Elementary/Secondary Education .....	24,432,121	24,829,068	18,950,000	24,903,094	TBD	26,701,186	.....
Special Education (IDEA):							
Grants to States (Part B) .....	10,947,511	11,505,211	11,300,000	11,505,211	TBD	11,705,211	.....
Other IDEA .....	1,034,382	1,066,371	900,000	1,073,729	TBD	1,113,045	.....
Subtotal, IDEA .....	11,981,893	12,571,582	12,200,000	12,578,940	TBD	12,818,256	.....
State Fiscal Stabilization Fund .....	0	0	48,600,000	0	TBD	0	.....
Career and technical education State grants .....	1,160,911	1,160,911	0	1,160,911	TBD	1,000,000	.....

DEPARTMENT OF EDUCATION SUMMARY OF DISCRETIONARY FUNDS FY 2008-FY 2012 PRESIDENT'S BUDGET—Continued  
 (In thousands of dollars)

Office, account, program and activity	2008 Approp- riation	2009 Approp- riation	Recovery Act	2010 Approp- riation	2011 Approp- riation	2010 Presi- dent's budget	Change from FY2011-FY2012	
							Amount	Percent
Other K-12 .....	358,986	377,306	170,000	389,377	TBD	258,639	.....	.....
Subtotal, Elementary/Secondary Education .....	37,933,911	38,938,867	79,920,000	39,032,322	TBD	40,778,081	.....	.....
Postsecondary Education:								
Federal Pell grants (net) .....	14,215,000	17,288,000	15,640,000	17,495,000	TBD	28,600,059	.....	.....
Other Student Financial Aid .....	1,866,136	981,973	200,000	1,801,809	TBD	1,737,957	.....	.....
TRIO .....	828,178	848,089	0	853,089	TBD	920,089	.....	.....
Other Postsecondary Education .....	1,581,336	1,625,250	0	1,785,990	TBD	1,738,326	.....	.....
Subtotal, Postsecondary Education .....	18,490,650	20,743,312	15,840,000	21,935,888	TBD	32,996,431	.....	.....
Other Discretionary:								
Research, development, and dissemination .....	159,696	167,196	0	200,196	TBD	260,413	.....	.....
Statistics .....	88,449	98,521	0	108,521	TBD	117,021	.....	.....
National assessment .....	98,121	130,121	0	130,121	TBD	135,121	.....	.....
Statewide data systems .....	48,293	65,000	250,000	58,250	TBD	100,000	.....	.....
Departmental Management .....	1,247,578	1,338,249	74,000	1,407,679	TBD	1,749,415	.....	.....
Other Programs and Activities .....	1,144,769	1,164,933	680,000	1,261,879	TBD	1,263,909	.....	.....
Total, ed discretionary funds .....	59,211,468	62,646,199	96,764,000	64,134,856	TBD	77,400,391	.....	.....
Total, ed discretionary without Pell .....	44,996,468	45,358,199	81,124,000	46,633,856	TBD	48,800,332	.....	.....

The Department is in the process of completing a funding table for FY 2011, based on H.R. 1473/Public Law 112-10. We will update this table with that information as soon as possible.

[Whereupon, at 5:08 p.m., the committee was adjourned.]

