### 111TH CONGRESS 1ST SESSION

# H. R. 1569

To improve the calculation of, the reporting of, and the accountability for, secondary school graduation rates.

# IN THE HOUSE OF REPRESENTATIVES

March 17, 2009

Mr. Scott of Virginia (for himself, Mr. Hinojosa, Mr. Grijalva, Mr. Fattah, Mr. Payne, Mr. Meeks of New York, Ms. Corrine Brown of Florida, Mr. Polis of Colorado, Mr. Davis of Illinois, Mr. Conyers, Mr. Bishop of Georgia, Mr. Honda, Ms. Clarke, Mr. Ortiz, Ms. Fudge, Ms. Lee of California, and Mr. Thompson of Mississippi) introduced the following bill; which was referred to the Committee on Education and Labor

# A BILL

To improve the calculation of, the reporting of, and the accountability for, secondary school graduation rates.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Every Student Counts
- 5 Act".
- 6 SEC. 2. FINDINGS.
- 7 Congress makes the following findings:

- 1 (1) To retain the competitive edge of the
  2 United States in the world economy, it is essential
  3 that America's youth be prepared for the jobs of
  4 today and for the jobs of the future. Such jobs in5 creasingly require a postsecondary education, and al6 most 90 percent of the fastest growing and best pay7 ing jobs require some postsecondary education ac8 cording to a 2008 Department of Labor report.
  - (2) Individuals without a secondary school diploma experience higher rates of unemployment, incarceration, living in poverty, and receiving public assistance than individuals with at least a secondary school diploma.
  - (3) According to the 2009 Center for Public Education report "Better late than never? Examining late high school graduates", on-time graduation with a regular secondary school diploma leads to the best outcomes for students, and students who graduate late with a regular secondary school diploma are more likely to earn an associate's or a bachelor's degree, to be employed full-time, and to obtain a job with retirement benefits and health insurance than either secondary school dropouts or GED recipients.

- (4) About 1,230,000 secondary school students, which is approximately one-third of all secondary school students, fail to graduate with their peers every year. According to the Department of Education, the United States secondary school graduation rate is the lowest the rate has been since 2002.
  - (5) The graduation rates for historically disadvantaged minority groups are far lower than that of their White peers. Little more than half of all African-American and Hispanic students will finish secondary school on time with a regular secondary school diploma compared to over three-quarters of White students.
  - (6) Nearly 2,000 secondary schools (about 10 percent of all secondary schools in the United States) produce about half of the Nation's secondary school dropouts. In these schools, the number of seniors is routinely 60 percent or less than the number of freshmen 3 years earlier. While almost half of the Nation's African-American students and nearly 40 percent of Latino students attend these dropout factories, only 11 percent of White students do.
  - (7) The graduation rate calculations used by most States for reporting and accountability are inconsistent and misleading. Not only does this ob-

- scure the graduation rate crisis, particularly for poor and minority students, but it also makes it impossible to compare graduation rates across schools, school districts, and States.
  - (8) The average gap between State-reported and independently reported graduation rates is approximately 12 percent.
  - (9) In 2005, all 50 of the Nation's Governors signed the National Governors Association's Graduation Rate Compact, pledging to use a common, accurate graduation rate.
  - (10) In 2008, the Secretary of Education released final regulations that also require States to report a common graduation rate calculation. However, since the Department of Education did not specify in the regulations what graduation rate goals and growth targets are appropriate and how States should include 4-year rates and extended year rates in calculating adequate yearly progress, it is necessary to clarify these goals, targets and rates in order to create a meaningful Federal accountability system for secondary schools.
  - (11) The most accurate graduation rate calculations are reliant on high-quality longitudinal data systems that track individual student data from the

- time a student enters the kindergarten through
  grade 12 educational system until the student leaves
  the kindergarten through grade 12 educational system. In 2008, 42 States had the 4 elements of a
  statewide longitudinal data system that are necessary to calculate the National Governor's Association Compact rate at the school level.
  - (12) Forty-nine States should have secondary school data that will allow the States to use the National Governor's Association Compact rate formula not later than school year 2011–2012.
  - (13) An accountability system with meaningful graduation rate goals—
    - (A) holds schools, school districts, and States responsible for both student achievement and outcomes; and
    - (B) ensures that low-performing students are not unnecessarily held back or pushed out (encouraged to leave school without a diploma).
  - (14) Prior to the 2008 regulations, the amendments to the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) made by the No Child Left Behind Act of 2001 (Public Law 107–110) did not require consistent calculations, meaningful goals, or disaggregation of graduation

- 1 rates. Without clear guidance from the Department
- of Education, most secondary schools can continue
- 3 to make adequate yearly progress by making as little
- 4 as 0.1 percent improvement or less in secondary
- 5 school graduation rates each year and can do so
- 6 with a consistent, or even growing, secondary school
- 7 graduation gap.

#### 8 SEC. 3. PURPOSES.

- 9 The purposes of this Act are—
- 10 (1) to require consistent calculations and re-
- porting of secondary school graduation rates across
- schools, school districts, and States;
- 13 (2) to provide educators with critical informa-
- tion about students' progress toward secondary
- school graduation; and
- 16 (3) to ensure meaningful accountability for the
- improvement of secondary school graduation rates
- for all students, particularly those rates for poor and
- minority students.
- 20 SEC. 4. SECONDARY SCHOOL GRADUATION RATES.
- 21 Subpart 1 of part A of title I of the Elementary and
- 22 Secondary Education Act of 1965 (20 U.S.C. 6311 et
- 23 seq.) is amended by inserting after section 1111 (20
- 24 U.S.C. 6311) the following:

# 1 "SEC. 1111A. SECONDARY SCHOOL GRADUATION RATES. 2 "(a) Definitions.—In this section: 3 "(1) ADJUSTED COHORT; TRANSFERRED IN; 4 TRANSFERRED OUT.— 5 "(A) In General.—Subject to subpara-6 graphs (C)(ii) through (F), the term 'adjusted 7 cohort' means the difference of— 8 "(i) the sum of— 9 "(I) the number of first-time 10 ninth graders; plus 11 "(II) any students that trans-12 ferred in to the cohort in any of 13 grades 9 through 12; minus 14 "(ii) any students removed from the 15 cohort. 16 "(B) Transferred in.—The term 'trans-17 ferred in' when used with respect to a sec-18 ondary school student, means a student who en-19 rolls after the beginning of the entering cohort's 20 first year in secondary school, up to and includ-21 ing enrolling in grade 12. 22 "(C) Transferred out.— "(i) IN GENERAL.—The term 'trans-23 24 ferred out' when used with respect to a 25 secondary school student, means a student

who the secondary school or local edu-

1	cational agency confirms has transferred to
2	another school or another educational pro-
3	gram for which the student is expected to
4	receive a regular secondary school diploma.
5	"(ii) Confirmation require-
6	MENTS.—
7	"(I) Documentation re-
8	QUIRED.—The confirmation of a stu-
9	dent's transfer to another school or
10	educational program described in
11	clause (i) requires documentation
12	from the receiving school or program
13	that the student enrolled in the receiv-
14	ing school or program.
15	"(II) Lack of confirmation.—
16	A student who was enrolled, but for
17	whom there is no confirmation of
18	transfer or completion, shall not be
19	considered a transfer or an error, but
20	shall remain in the cohort as a non-
21	graduate for reporting and account-
22	ability purposes under this section.
23	"(iii) Programs not providing
24	CREDIT.—A student enrolled in a GED or
25	other alternative educational program that

1	does not issue or provide credit toward the
2	issuance of a regular secondary school di-
3	ploma shall not be considered transferred
4	out.
5	"(D) COHORT REMOVAL.—To remove a
6	student from a cohort, a school or local edu-
7	cational agency shall confirm that the student
8	has transferred out, emigrated, or is deceased.
9	"(E) TREATMENT OF OTHER LEAVERS
10	AND WITHDRAWALS.—A student who was re-
11	tained in a grade, enrolled in a GED program,
12	aged-out of a secondary school or secondary
13	school program, or left secondary school for any
14	other reason, including expulsion, shall not be
15	considered transferred out, and shall remain in
16	the adjusted cohort.
17	"(F) Special rule.—For those secondary
18	schools that start after grade 9, the cohort shall
19	be calculated based on the earliest secondary
20	school grade at the secondary school.
21	"(2) Alternative educational setting.—
22	The term 'alternative educational setting' means—
23	"(A) a secondary school or secondary
24	school educational program that—

1	"(i) is designed for students who are
2	under-credited or have dropped out of sec-
3	ondary school; and
4	"(ii) awards a regular secondary
5	school diploma; or
6	"(B) a secondary school or secondary
7	school educational program designed to issue a
8	regular secondary school diploma concurrently
9	with a postsecondary degree or not more than
10	2 years of college credit.
11	"(3) CUMULATIVE GRADUATION RATE.—The
12	term 'cumulative graduation rate' means, for each
13	school year, the percent obtained by calculating the
14	product of—
15	"(A) the result of—
16	"(i) the sum of—
17	"(I) the number of students
18	who—
19	"(aa) formed the adjusted
20	cohort 4 years earlier; and
21	"(bb) graduate in 4 years or
22	less with a regular secondary
23	school diploma (which shall not
24	include a GED or other certifi-
25	cate of completion or alternative

1	to a diploma except as provided
2	in paragraph (6)(B)); plus
3	"(II) the number of additional
4	students from previous cohorts who
5	graduate in more than 4 years with a
6	regular secondary school diploma
7	(which shall not include a GED or
8	other certificate of completion or al-
9	ternative to a diploma except as pro-
10	vided in paragraph (6)(B)); divided by
11	"(ii) the sum of—
12	"(I) the number of students who
13	formed the adjusted cohort for that
14	graduating class 4 years earlier; plus
15	"(II) the number of additional
16	student graduates described in clause
17	(i)(II); multiplied by
18	"(B) 100.
19	"(4) 4-YEAR ADJUSTED COHORT GRADUATION
20	RATE.—The term '4-year adjusted cohort graduation
21	rate' means the percent obtained by calculating the
22	product of—
23	"(A) the result of—
24	"(i) the number of students who—

1	"(I) formed the adjusted cohort 4
2	years earlier; and
3	"(II) graduate in 4 years or less
4	with a regular secondary school di-
5	ploma (which shall not include a GED
6	or other certificate of completion or
7	alternative to a diploma except as pro-
8	vided in paragraph (6)(B)); divided by
9	"(ii) the number of students who
10	formed the adjusted cohort for that grad-
11	uating class 4 years earlier; multiplied by
12	"(B) 100.
13	"(5) On-track student.—The term 'on-track
14	student' means a student who—
15	"(A) has accumulated the number of cred-
16	its necessary to promote to the next grade, in
17	accordance with State and local educational
18	agency policies; and
19	"(B) has failed not more than 1 semester
20	in English or language arts, mathematics,
21	science, or social studies.
22	"(6) Regular secondary school di-
23	PLOMA.—
24	"(A) IN GENERAL.—The term 'regular sec-
25	ondary school diploma' means the standard sec-

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ondary school diploma awarded to the preponderance of students in the State that is fully aligned with State standards, or a higher diploma. Such term shall not include GEDs, certificates of attendance, or any lesser diploma award.

"(B) SPECIAL RULE.—For a student who has a significant cognitive disability and is assessed using an alternate assessment aligned to an alternate achievement standard, receipt of a regular secondary school diploma or a State-defined alternate diploma aligned with completion of the student's right to a free and appropriate public education under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) shall be counted as graduating with a regular secondary school diploma for the purposes of this section, except that not more than 1 percent of students served by the State or local educational agency, as appropriate, shall be counted as graduates with a regular secondary school diploma under this subparagraph.

"(7) UNDER-CREDITED STUDENT.—The term 'under-credited student' means a secondary school student who is a year or more behind in the ex-

1	pected accumulation of credits or courses toward an
2	on-time graduation as determined by the relevant
3	local educational agency's and State educational
4	agency's secondary school graduation requirements
5	for an on-time graduation.
6	"(b) Calculating and Reporting Accurate
7	GRADUATION RATES.—
8	"(1) CALCULATING GRADUATION RATES.—Not
9	later than school year 2010–2011, and every school
10	year thereafter, each State educational agency and
11	local educational agency that is assisted under this
12	part shall calculate, using a statewide longitudinal
13	data system with individual student identifiers for
14	each school served by the State or local educational
15	agency, as the case may be—
16	"(A) the 4-year adjusted cohort graduation
17	rate; and
18	"(B) the cumulative graduation rate.
19	"(2) CALCULATION AT SCHOOL, LEA, AND
20	STATE LEVELS; DISAGGREGATION.—The 4-year ad-
21	justed cohort graduation rate and the cumulative
22	graduation rate shall be calculated at the school,
23	local educational agency, and State levels in the ag-
24	gregate and disaggregated by race, ethnicity, gender,
25	disability status, migrant status, English proficiency,

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and status as economically disadvantaged, except that such disaggregation shall not be required in a case in which the number of students in a subgroup is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student.

- "(3) Reporting graduation rates.—Subject to paragraph (4), not later than school year 2010–2011, and every school year thereafter, each State educational agency, local educational agency and school that is assisted under this part shall report annually, as part of the State and local educational agency report cards required under section 1111(h), each of the following:
  - "(A) 4-YEAR ADJUSTED COHORT GRADUA-TION RATE.—The 4-year adjusted cohort graduation rate, in the aggregate and disaggregated by each of the subgroups described in paragraph (2).
  - "(B) CUMULATIVE GRADUATION RATE.—
    The cumulative graduation rate, in the aggregate and disaggregated by each of the subgroups described in paragraph (2).
- 24 "(C) Number and Percentage of Stu-25 Dents graduating in More than 4 years.—

The number and percentage of secondary school students graduating in more than 4 years with a regular secondary school diploma as described in subsection (a)(3)(A)(i)(II), disaggregated by the number of years accounted for in the cumulative graduation rate and by each of the subgroups described in paragraph (2).

- "(D) NUMBER AND PERCENTAGE OF STU-DENTS REMOVED FROM COHORT.—The number and percentage of secondary school students who have been removed from the adjusted cohort, in the aggregate and disaggregated by each of the subgroups described in paragraph (2).
- "(E) Number and percentage of continuing students.—The number and percentage of students from each previous adjusted cohort that began 4 years or more earlier who have not graduated from and are still enrolled in secondary school.
- "(4) USE OF INTERIM GRADUATION RATE.—In the case of a State that does not have an individual student identifier longitudinal data system, with respect to each graduation rate calculation or reporting requirement under this section, the State and

1	local educational agencies and secondary schools in
2	the State shall temporarily carry out this section by
3	using an interim graduation rate calculation that
4	meets the following conditions:
5	"(A) Number of graduates compared
6	TO NUMBER OF STUDENTS.—The calculation
7	shall measure or estimate the number of sec-
8	ondary school graduates compared to the num-
9	ber of students in the secondary school's enter-
10	ing grade.
11	"(B) Dropout data.—The calculation
12	shall not use dropout data.
13	"(C) Regular secondary school di-
14	PLOMA.—The calculation shall count as grad-
15	uates only those students who receive a regular
16	secondary school diploma.
17	"(D) DISAGGREGATION.—The calculation
18	shall be disaggregated by each of the subgroups
19	described in paragraph (2).
20	"(E) Annual basis and rate of
21	GROWTH.—The calculation shall be used on an
22	annual basis to determine a rate of growth, as
23	described in subsection (c).
24	"(F) TIMEFRAME LIMITATION.—The in-
25	terim oraduation rate calculation may only be

1	used through the end of school year 2010-
2	2011.
3	"(G) Reporting use of interim grad-
4	UATION RATE.—Each State that receives assist-
5	ance under this part shall describe in the
6	State's plan submitted under section 1111 the
7	interim graduation rate used in accordance with
8	this paragraph.
9	"(5) Reporting on alternative set-
10	TINGS.—Not later than school year 2010–2011, and
11	every school year thereafter, each State educational
12	agency and local educational agency that receives as-
13	sistance under this part and contains an alternative
14	education setting which establishes an alternative 4-
15	year completion requirement as described in sub-
16	section (c)(3)(C)(iii), shall report annually as part of
17	the State and local educational agency report cards
18	required under section 1111(h), the following:
19	"(A) The name of each alternative edu-
20	cation setting that establishes an alternative 4-
21	year completion requirement.
22	"(B) A description of the program pro-
23	vided at each setting and the population served
24	"(C) The enrollment of such settings in

the aggregate and disaggregated by each of the

1	subgroups described in paragraph (2), including
2	as a percent of overall enrollment.
3	"(D) Whether the setting is a new school
4	or setting.
5	"(E) The alternative 4-year completion re-
6	quirement as described in subsection
7	(e)(3)(C)(iii).
8	"(6) Reporting percent of on-track stu-
9	DENTS.—Not later than school year 2010–2011, and
10	every school year thereafter, every State educational
11	agency, local educational agency, and school that re-
12	ceives assistance under this part shall report annu-
13	ally, as part of the State and local educational agen-
14	cy report cards required under section 1111(h), the
15	percent of on-track students for each secondary
16	school grade served by the State educational agency,
17	local educational agency, and school, respectively,
18	other than the graduating grade for the secondary
19	school, in the aggregate and disaggregated by each
20	of the subgroups described in paragraph (2).
21	"(7) Reporting additional indicators.—
22	"(A) IN GENERAL.—A State may report
23	additional complementary indicators of sec-
24	ondary school completion, such as—
25	"(i) a college-ready graduation rate;

1	"(ii) a dropout rate;
2	"(iii) in-grade retention rates;
3	"(iv) percentages of students receiving
4	GEDs, certificates of completion, or alter-
5	natives to a diploma; and
6	"(v) in the case of a State with exit
7	examinations, students who have completed
8	course requirements but failed a State
9	exam required for secondary school grad-
10	uation.
11	"(B) Definitions for indicators.—The
12	Secretary shall promulgate and publish in the
13	Federal Register regulations containing defini-
14	tions for the indicators described in clauses (i),
15	(ii), and (iii) of subparagraph (A) that are con-
16	sistent with the definitions used by the National
17	Center for Educational Statistics, in order to
18	ensure that the indicators are comparable
19	across schools and school districts within a
20	State.
21	"(C) Prohibition.—For purposes of re-
22	porting or accountability under this section, the
23	additional indicators shall not replace the 4-
24	year adjusted cohort graduation rate or the cu-
25	mulative graduation rate.

"(D) Rule of construction.—Nothing in this Act shall be construed to prohibit a State from reporting indicators of secondary school completion that are not described in subparagraph (A).

# "(8) Data anomalies.—

"(A) In General.—When an individual student record indicates a student was enrolled in more than 1 secondary school or a student record shows enrollment in a secondary school but no subsequent information, such student record shall be assigned to 1 adjusted cohort for the purposes of calculating and reporting school, local educational agency, and State 4-year adjusted cohort graduation rates and cumulative graduation rates under this subsection.

"(B) SPECIAL RULE.—A student who returns to secondary school after dropping out of secondary school, or receives a diploma from more than 1 school or educational program served by any 1 local educational agency, shall be counted—

1	"(i) only once for purposes of report-
2	ing and accountability under this section;
3	and
4	"(ii) as part of the student's original
5	adjusted cohort.
6	"(9) Monitoring of data collection.—
7	Each State that receives assistance under this part
8	shall conduct regular audits of data collection, re-
9	porting, and calculations by local educational agen-
10	cies in the State. The Secretary shall assist States
11	in their efforts to develop and retain the capacity for
12	collection, analysis, and public reporting of 4-year
13	adjusted cohort graduation rate and cumulative
14	graduation rate data.
15	"(c) School, Local Educational Agency, and
16	STATE ACCOUNTABILITY.—
17	"(1) Graduation rate goal.—Each State
18	that receives assistance under this part shall seek to
19	have all students graduate from secondary school
20	prepared for success in college and work.
21	"(2) Graduation rate calculation.—Each
22	State that receives assistance under this part shall
23	use aggregate and disaggregated cumulative gradua-
24	tion rates as the additional indicator described in
25	section 1111(b)(2)(C)(vi) for the purposes of deter-

mining each secondary school's and local educational
 agency's adequate yearly progress.

"(3) Annual measurable objectives.—The Secretary shall require a State, local educational agency, or school that receives assistance under this part and has a cumulative graduation rate below 90 percent in the aggregate or for any subgroup described in subsection (b)(2), to increase the cumulative graduation rate, in the aggregate or for such subgroup, respectively, in order to make adequate yearly progress under section 1111(b)(2), as follows:

"(A) Baseline for cumulative graduation rate calculated and reported in accordance with this section for the first school year that begins after the date of enactment of Every Student Counts Act shall serve as the baseline graduation rate. Each school year thereafter, cumulative graduation rates calculated at the school, local educational agency, and State levels in the aggregate and disaggregated by each subgroup described in subsection (b)(2) shall be evaluated for annual growth in accordance with subparagraph (C).

"(B) Baseline adjustment.—In the case of a State that uses an interim graduation rate, after the State has implemented an individual student identifier longitudinal data system and can calculate the 4-year adjusted cohort graduation rate and the cumulative graduation rate, but not later than the 2010–2011 school year, the State shall use the cumulative graduation rate as the baseline graduation rate for reporting and accountability under this section.

# "(C) Annual Growth.—

"(i) IN GENERAL.—In order for a State, local educational agency, or school to make adequate yearly progress under section 1111(b)(2), the State, local educational agency, or school, respectively, shall demonstrate increases in the cumulative graduation rate from the baseline graduation rate, in the aggregate and for each subgroup described in subsection (b)(2), by an average of 3 percent per school year, until the cumulative graduation rate, in the aggregate and for each

1	such subgroup, equals or exceeds 90 per-
2	cent.
3	"(ii) AYP NOT MADE.—A secondary
4	school shall not be considered to have
5	made adequate yearly progress under sec-
6	tion 1111(b)(2) if—
7	"(I) the school's 4-year adjusted
8	cohort graduation rate, in the aggre-
9	gate or for any subgroup described in
10	subsection (b)(2), falls below the co-
11	hort's initial baseline graduation rate
12	or shows no improvement over a 4-
13	year period; or
14	"(II) fewer than 90 percent of
15	the students included in the cumu-
16	lative graduation rate, in the aggre-
17	gate or for any subgroup described in
18	subsection (b)(2), are students who
19	graduate from secondary school in 4
20	years.
21	"(iii) Special Rule.—A secondary
22	school or secondary school educational pro-
23	gram that is an alternative education set-
24	ting may apply to the State to establish an
25	alternative 4-year completion requirement

1	for purposes of determinations under
2	clause (ii)(II) if—
3	"(I) the secondary school or edu-
4	cational program submits to the
5	State—
6	"(aa) a description of the
7	secondary school or educational
8	program; and
9	"(bb) an alternative 4-year
10	completion requirement; and
11	"(II) the State approves the use
12	of the alternative 4-year completion
13	requirement for such purposes.
14	"(4) Delayed applicability to schools.—
15	Paragraphs (2) and (3)(C) shall not apply to a sec-
16	ondary school until the beginning of school year
17	2011–2012.
18	"(d) Reporting Requirement.—Not later than 90
19	days after the date of the enactment of the Every Student
20	Counts Act, and annually thereafter, each State edu-
21	cational agency that receives assistance under this part
22	shall submit to the Secretary, and make publicly available,
23	a report on the implementation of this section. Such report
24	shall include—

1	"(1) a description of each category, code, and
2	the corresponding definition that the State has au-
3	thorized for identifying, tracking, calculating, and
4	publicly reporting student status; and
5	"(2) if using an interim graduation rate pursu-
6	ant to subsection (b)(4), a description of the efforts
7	of the State to implement the cumulative graduation
8	rate and the expected date of implementation, which
9	date shall not be later than the beginning of school
10	year 2011–2012.''.
11	SEC. 5. AYP CONFORMING AMENDMENTS.
12	Section 1111(b)(2)(C) of the Elementary and Sec-
13	ondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(C))
14	is amended—
15	(1) in clause (vi), by striking "and" after the
16	semicolon;
17	(2) in clause (vii), by striking the period and in-
18	serting "; and; and
19	(3) by adding at the end the following:
20	"(viii) complies with the requirements
2.1	of section 1111A"