

Education at a Crossroads

A New Path for Federal and State Education Policy



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FINDINGS and RECOMMENDATIONS of the NCSL TASK FORCE ON FEDERAL EDUCATION POLICY



William T. Pound Executive Director

7700 East First Place Denver, CO 80230 (303) 364-7700

444 North Capitol Street, N.W., Suite 515 Washington, D.C. 20001 (202) 624-5400

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THE NCSL EDUCATION TASK FORCE

Task Force Members

Co-Chairs

Senator Robert H. "Bob" Plymale, (D-West Virginia)*

Chair, Senate Education Committee

Senator Stephen M. Saland (R-New York)* Former President, NCSL

Robin Johnson* General Counsel, Speaker of the House, North Carolina

Members

Representative Rae Ann Kelsch (R-North Dakota)

Chair, House Education Committee Former Chair, NCSL Education Committee

Representative Betty Komp (D-Oregon) Vice-Chair, House Education Committee Vice-Chair, NCSL Education Committee

Representative Marvin W. Lucas (D-North Carolina)

Chair, House Education Committee

Representative Rick Miera (D-New Mexico)*
Chair, House Education Committee

Representative Gregory W. Porter (D-Indiana)*

Chair, House Education Committee

Representative James R. Roebuck (D-Pennsylvania) Chair, House Education Committee

(Former) Representative Kory Holdaway (R-Utah)*

Former Chair, NCSL Education Committee

Representative Rob Eissler (R-Texas) Chair, House Public Education Committee

Senator John Vratil (R-Kansas)* Senate Vice President Vice-Chair, Senate Education Committee Vice-Chair, NCSL Education Committee

Senator John W. Goedde (R-Idaho) Chair, Senate Education Committee Vice-Chair, NCSL Education Committee

Senator Leticia Van de Putte (D-Texas) Former President, NCSL

Senator Nancy King (D-Maryland)* Immediate Past Chair, NCSL Education Committee

(*Was also member of Delivering the Promise: State Recommendations for Improving No Child Left Behind)

NCSL TASK FORCE STAFF

David Shreve Robert Strange

TASK FORCE MEETINGS

April 28, 2008 Washington, D.C.

June 5-6, 2008 Denver, Colo.

July 26, 2008 New Orleans, La. December 13-14, 2008

Atlanta, Ga.

January 29-30, 2009

Tucson, Ariz.

July 22, 2009 Philadelphia, Pa.

TASK FORCE PARTICIPANTS

Marty Blank Staff Director Coalition for Community Schools Institute for Educational Leadership

Senator William Brock
New Commission on the Skills
of the American Workforce
Co-Chair of the Implementation of Tough
Choices or Tough Times, Washington,
D.C.

Brad Bryant Georgia State Board of Education Past President of the National Association of State Boards of Education (NASBE)

Dr. Doug Christensen Former Commissioner of Education, Nebraska

Dr. Elizabeth De Bray-Pelot Assistant Professor, College of Education, University of Georgia Author, Politics, Ideology & Education: Federal Policy During the Clinton and Bush Administrations

Dr. Dan Domenech Executive Director American Association of School Administrators (AASA) Peter Edelman Georgetown University Law Center, A Broader, Bolder Approach to Education Assistant Secretary, U.S. Department of Health and Human Services (1993-1996), Washington, D.C.

Reggie Felton National School Boards Association (NSBA), Former President, Montgomery County (Md.) School Board

Curtis Johnson Co-Director, Education Evolving, St. Paul, Minn.

Ann McColl, J.D. Associate Professor, College of Education, UNC Charlotte

Neal McCluskey Policy Analyst Cato Institute, Washington, D.C.

John Myers School Finance Expert Augenblick & Palaich, Denver, Colo.

Joel Packer NEA, Washington, D.C. Dr. Steve Paine

Superintendent, West Virginia

Arnold Fege

Public Education Network (PEN)

Kim Quinn-Hutchinson

Board Member

Partnership for 21st Century Schools

Richard Rothstein

Author, Grading Education: Getting

Accountability Right

Joan Snowden

President

Education Study Center, Washington, D.C.

Patricia Sullivan Deputy Director

American Federation of Teachers,

Washington, D.C.

Dr. Gail Sunderman

Civil Rights Project at UCLA.

Baltimore, Md.

(Former) Representative Jeff Wasserburger,

(Wyo.)

Principal, Gillette, Wyo.

George Wood

Executive Director

The Forum for Education and Democracy

Principal, Federal Hocking High School,

Stewart, Ohio

OVERVIEW

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"Were we directed from Washington when to sow and when to reap, we should soon want bread."

—Thomas Jefferson

"Good laws lead to the making of better ones; bad ones bring about worse"

—Jean-Jacques Rousseau, 1712 - 1778

"The most delicious of all privileges—spending other people's money."

—John Randolph, Member of Congress, Virginia. 1799-1813
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In recent years, driven by members of Congress and presidents from both parties, federal involvement in the day-to-day operations of the K-12 system has radically increased and is "upside-down," overemphasizing compliance with federal process requirements and underemphasizing results—specifically improving the academic achievement of all students, especially poor and minority students. Student achievement is improving marginally on the same trajectory as it has for the past decade, but the achievement gap between advantaged and disadvantaged students persists. Clearly neither federal top-down mandates nor categorical and competitive grant resources have significantly affected student achievement.

By statute and constitution our system of K-12 education administration is overwhelmingly a state responsibility. The prescribed federal role is one of supplementing state and local efforts, providing additional resources for disadvantaged learners and conducting research into best practices and proven reforms.

The effects of federal policy are now grossly disproportionate to its contribution to the K-12 endeavor. If we continue on our current policy path, federal resources, which now account for slightly more than 7 percent of the enterprise, will drag the entire system into the rabbit-hole world where compliance with federal dictums masquerades as reform.

If we continue on the current path, we should expect one of two results: the federal government provides an additional \$500 billion per year to take over the entire system, leaving state and local governance partners as wholly owned subsidiaries or the federal government "captures" (by more aggressive and intrusive condition of grant requirements) state and local revenues (primarily in the form of property taxes) and directs from Washington expenditures of all revenues and also administers the system. We find neither of these options practical (federal deficits will preclude any significant increase in federal appropriations) or productive (effectively

delivering and administering educational services for the entire K-12 system from Washington, D.C.) or responsive to the diverse needs of students nationwide.

Our children deserve better. They deserve an education system where resources—whatever their source—are maximized, not spent on procedural and compliance issues. They deserve—and we should require—that federal resources enhance state structures and support state efforts.

The NCSL Task Force on Federal Education Policy offers some recommendations for a more clearly defined and productive role for the federal government. Specifically:

- Concentrate available federal funding on those populations most at-risk, using a research-based formula that emphasizes the neediest students instead of trying to leverage system-wide reforms with the 7 percent federal contribution.
- Funding IDEA at promised levels would immediately free \$16 billion annually that, because of federal maintenance of effort requirements, would be redirected to reform and innovation at the state and local levels.
- Make permanent changes to the tax credit provisions of the bonding laws that apply to school construction. This action also would free tens of billions of dollars in state and local resources that would otherwise be spent on debt-service for school bonds.
- Revitalize the federal focus on research and reporting on what works and why without
 picking or mandating how and when "winning strategies" should be required by law or
 "encouraged" by withholding additional federal resources
- Use any remaining funding to reward and encourage true innovation—not conformity
 with others or compliance with a checklist of reforms, but progress toward performance
 gains.

The NCSL Task Force on Federal Education Policy believes that the shortcomings of the U.S. K-12 system reflect the shortcomings of our society. Federal intervention in the K-12 system—largely through process and compliance actions—has helped to address the most blatant and egregious of the historical access and equity issues. But neither state nor federal actions have addressed the economic disparity that so often predicts disadvantaged student achievement. That has not stopped federal policymakers from applying process-oriented solutions to far more complex problems with disastrous results, i.e., No Child Left Behind. Student achievement gains do not occur because the federal government reaches beyond its capacity to mandate universal administrative processes or universal student achievement. Federal overreach simply usurps the role of states and localities in the process and adds to the confusing array of reforms that parents and educators continually face.

If we are to maximize our efforts and resources, the business of K-12 policy, like any endeavor, should be focused, transparent and have clearly defined roles for all. It appears to the members of the task force that the goals of the K-12 system would be more transparent and its efforts more focused on student achievement if each of the players in the governance system reevaluated its role and directed its energy and resources toward those policy issues it can most effectively carry out.

THE FUTURE OF FEDERAL EDUCATION POLICY

Task Force on No Child Left Behind issued *Delivering the Promise: State Recommendations for Improving No Child Left Behind.* The report analyzed the structure and implementation of the No Child Left Behind Act (NCLB) and documented not only its promise, but also its overreach and weaknesses. Although the report was comprehensive, it did not exhaustively evaluate federal education policy, nor did it make broad recommendations for the future of federal education policy. As a result, a follow-up NCSL Task Force on Federal Education Policy was formed in June 2008 to focus on describing a productive and effective role for the federal government in reforming the state and locally funded and administered K-12 system. The new task force presents this report to help frame the impending discussion of the role of the states and the federal government in preparing our children for the challenges of a world economy.

Federal education policy is upside-down, overemphasizing compliance with federal process requirements and underemphasizing results—specifically improving the academic achievements of all students, especially poor and minority students. In the corridors of Congress, writings of academics and the words of the current administration, growing consensus indicates that the No Child Left Behind Act's top-down, process-focused approach is counter-productive, as is the latest iteration of the Individuals with Disabilities Education Act (IDEA). (The latest IDEA reauthorization, enacted in 2005, added 20 "performance indicators," of which nearly half—according to the Department of Education—are indicators of compliance, not of performance). The NCLB version of the Elementary and Secondary Education Act (ESEA), which along with IDEA is the primary expression of federal K-12 policy, needs a new direction. Table 1 provides examples of process/compliance policy versus a results-oriented federal policy.

Table 1. Federal Education Policy: Process or Result Orientation?			
Process	Results		
Highly qualified teachers defined by coursework and resumes.	Highly effective teacher defined by effect on student learning. (Indications that current administrative policy is moving in this direction.)		
Accountability defined as rigid adherence to federal formula defining "proficiency."	Accountability defined by student advancement of one or more grade levels per academic year.		
Adoption of common standards required without research support to indicate they are appropriate for all states or that they have a positive effect on student learning.	Fix faulty adequate yearly progress provisions in ESEA/NCLB to remove incentives, (inherent in current federal law) to relax standards.		
States required to accept arbitrary federal determination of number of charter authorizations.	States maintain authority over charter authorization based on effectiveness of charters in the state.		
Required inclusion of "acceptable" approaches to remedial reading programs to be favorably considered for competitive grants.	Defer to states to determine what remedial reading strategies or combination of strategies is most appropriate.		

During its deliberations from June 2008 to the release of this document, the NCSL Task Force on Federal Education Policy has considered that new direction as framed by two famous Yankees. Poet Robert Frost's well-read work, "The Road Not Taken," reflects on choices made and the irony of regret. Yogi Berra's perspective was, "When you come to a fork in the road, you should take it." The debate over the future of federal education policy may seem an arbitrary choice without immediate consequence, but it is one that has both subtle and serious implications for the future of our children and the nation.

Background

Four components listed below outline state and federal constitutional and statutory authority and define the role of the federal government in K-12 policy.

- The 10th Amendment to the U.S. Constitution implicitly identifies education as a function of state government.
- The authorizing statute creating the U.S. Department of Education circumscribes the
 federal role by expressly identifying responsibility for education as "reserved to the States"
 and prohibiting "any department, agency, officer or employee of the United State to
 exercise any direction, supervision or control over the curriculum ... of any educational
 institution, school or school system..."
- Section 9527 in ESEA/NCLB restricts "any officer or employee of the federal government
 to mandate, direct or control a state, local educational agency, or school's curriculum,
 program of instruction, or allocation of state or local resources, or mandate a state or any
 subdivision thereof to spend any funds or incur any costs not paid for under this act."

• The authorizing statute creating the U.S. Department of Education also specifically defines the purpose for its creation as "supplementing and complementing the efforts of states," "supporting research," strengthening federal support for "equal access to educational opportunity," and increasing the accountability of federal education programs to the president, the Congress and the public.

Direct Federal Role

The focus of the federal role in K-12 policy as we know it today began to take shape in the 1960s with establishment of the Compensatory Education (now ESEA/NCLB) and Head Start programs and the Education of the Handicapped Act Amendments (now IDEA) of the mid-1970s. The federal government's initiatives of the 1960s and 1970s did not attempt to broadly expand federal authority, but to encourage and help finance programs for children with special needs—those whose developmental needs require compensatory education, those who would benefit from early childhood education, and those whose disabilities require special education. In both the compensatory and special education cases, the underlying federal program authorization identified appropriations of up to 40 percent above average per-pupil expenditures to provide each of these services.

Financing

Financing for the Title I and the IDEA program has never approached the 40 percent targets established in the initial legislation. The failure to fully fund IDEA alone represents more than a \$261 billion cumulative burden that has been passed to states, school districts and, ultimately, to local taxpayers. This ongoing burden on school budgets not only limits state and local policymakers' ability to innovate and experiment with effective methods of enhancing student achievement, but also severely burdens state and local taxpayers.

The No Child Left Behind Act of 2002

During the past two decades, the reach of federal education policy increased, culminating with the *No Child Left Behind Act of 2002*. With passage of NCLB, the federal government was centrally placed, for the first time, in the decisions made in local schools. According to Checker Finn and Frederick Hess, two well-known conservative education policy specialists, NCLB's "sprawling 1,100-plus pages radically overhaul the federal role in education, rewrite the rules, and reassign power-including more to Washington than ever before." In comparison, Sam Halperin, an author of the original ESEA, noted that "none of the original ESEA creators could have foreseen the incredible intrusiveness of the federal government as now ensconced in NCLB. Only the opponents of ESEA—out of their fears—could predict the feds getting into everything."

Not only was the law intrusive, but its implementation, remedies and unrealistic mandated 100 percent proficiency requirements put an enormous strain on state and local K-12 budgets. The uneven, arbitrary and capricious implementation underscored a federal agency's inability to effectively manage the day-to-day operations of such a large and diverse endeavor. In addition, the department's own inspector general found politics and corruption in the award of competitive grants addressing reading deficiencies. Only the hubris of appointed bureaucrats

could fuel the belief that the federal government knows best what students should be taught, tested on and held accountable for in the classrooms of Salt Lake, Topeka, Poughkeepsie and Raleigh.

This federal intrusion into state and local education decisions is a powerful blow to state and local policymakers who must raise revenues to support federal mandates. The refusal of federal policymakers to provide contributions proportionate to their K-12 presence is akin to rubbing salt in the resulting wound. State and local officials raise additional revenues to comply with federal mandates that tell them how to spend their own money. In fact, federal contributions have not grown and still account for slightly more than 7 cents of every \$1 spent on education. Neither does consensus exist nor research support that the radically expanded federal policy has positively affected student achievement. Instead, nearly all long-term measures indicate the achievement gap endures and the differential achievement of poor and minority children persists.

Outline of Task Force Discussions

If increasing federal authority and intervention is not demonstrably narrowing the "achievement gap" or raising the achievement levels of disadvantaged students, task force members asked, "Why not?" To determine the answer, this bipartisan group of state policymakers examined a list of significant reforms initiated during the last two decades and attempted to evaluate the effects of federal actions on key reform elements. The group also attempted to develop some guiding principles under which federal action and resources might leverage more substantial change.

The task force believes no single reason can explain the difficulty of raising the academic performance of the 35 percent of the population considered "disadvantaged" by federal law, just as no single strategy can remedy these disparities. If student achievement is to be fully realized, however, all K-12 resources, whatever their source, must be put to maximum use. Resources must include fulfilling the commitments to states and local school districts of 40 percent of the excess cost of educating a special needs student to help relieve the cumulative and continuing burden of 30 years of broken federal funding promises.

Summary of Federal Involvement

Historically, federal education policy focused on righting wrongs and guaranteeing equal opportunity for the disabled and the disadvantaged. Federal law ensured civil rights and access. Overt process and compliance issues lent themselves to overt process and compliance remedies.

Somewhere along the way, however, the process and compliance paradigm was applied to systemic problems that could not be remedied by the same approach. For example, differential learning and achievement, successful intervention in failing schools, the effectiveness of teachers and other more complex problems within public education cannot be remedied by a checklist that proves conformity with federal education policy. Yet, recent administrations have proceeded as though federal policy could regulate the day-to-day operations of schools and districts and mandate that the problems therein be solved—often with the most popular, if not the most effective, remedy favored by those federal policymakers in power.

The more recent history of federal education policy has consistently been one of noble intentions and lack of follow through, due in some part to the limited capacity of the federal education establishment to understand the diversity of the nation's 100,000 public and public charter schools, and compounded by the presumption of federal policymakers in Washington that they can mandate from afar the necessary elements of successful school reform.

Under current federal law, the process requirements of NCLB and schools, by themselves, are expected to produce positive results, while the effects of other social policies on the lives of poor children are reduced or ignored. The dominant rhetoric has ignored the reality—reflected in countless studies during the past four decades—that poverty, low education level of parents, poor health and inferior infrastructure contribute powerfully to unequal starting points, and that those conditions can be only partially addressed inside the schools.

Research has shown that federally mandated standards were inconsistent, meaningless and driven to the lowest common denominator by a punishment-oriented accountability system. Incorrectly set goals unfairly punished racially and economically diverse schools and those that serve English language learners and other minority groups. Research also showed that assumptions in NCLB about quality teachers and the effects of sanctions on "failing" schools were wrong and that the sanction process was undermining the goal of keeping experienced and effective teachers where they were most needed.

Eight years after its adoption, NCLB remains the dominant federal education policy, and a new administration is again emphasizing process (requiring certain elements of reform proposals in exchange for federal dollars) over results; ignoring the current problems inherent in federal policy; neglecting to account for the diversity of student starting points and the level of resources available among the states; and compelling states to change their laws to meet some yet-to-be-defined federal quota for charter school authorizations. At the same time, states are expected to commit to a "voluntary national standards" process or face potential fiscal consequences. This for a specific reform element—voluntary common standards—that few states, if any, have yet fully reviewed or evaluated.

Reform Elements

Each of the elements of school reform discussed below arguably may be desirable, but are they sufficient to guarantee a positive effect on student achievement? Does any research indicate that, if a state implements all or most of the elements, better performance will occur? The answer is no—there is no single solution for successful state-wide school reforms. Our experience with NCLB's admirable yet unattainable goals and its arbitrary punishments would actually indicate the contrary. If there is any lesson to be learned from the past, it is that a single, stand-alone approach often is ineffective and sometimes counterproductive. We do know that, if certain elements are applied and addressed successfully, then student achievement rises. For example, if a student is taught by an effective teacher for just three years in a row, then the student can make up for early socioeconomic disparities that can affect student achievement. We know this element of reform works. That's why we need to identify effective teachers, not "highly qualified" teachers

Most of the remaining elements, however, cannot by themselves accomplish sweeping reform. It is only in combination—e.g., using standards-based reforms with test-based accountability—that any real progress can be expected. Successful comprehensive state reform efforts have used a mix of reform elements that best fit the state's needs and appetite.

In contrast, federal education policy stresses conformity, not choice or innovation. Current federal policy invariably co-opts effective and model state policy designs in the grist mill of the legislative process and corrupts the federal version of state school reforms. Efforts to justify the end product present thousands of pages of compliance language masquerading as a formula for achieving success.

The lesson learned by state policymakers is that unique combinations and permutations of reform elements can positively address the achievement needs of poor, minority and disadvantaged children, but few, with the possible exception of enhancing the effectiveness of teachers, are sufficient by themselves to significantly affect student achievement and accomplish successful statewide reforms.

Critical complications and unintended consequences (Table 2) emerge when those in power impose on schools and systems reform remedies that have no credible basis in research. Federal lawmakers, furthest from the issue, should not decide which reform elements should be applied to the states' mix, nor should they be surprised that elements of reform are corrupted or compromised by the scrutiny generated on the national political stage. For example, the Texas standards-based reform model fit well with Texas' needs. A key element of the Texas plan—exclusion of the test results of significant disabled groups in state accountability calculations—was dropped in the political compromise that became NCLB. Suddenly, federal policy required that nearly all disabled and IDEA-eligible students would perform at a grade level comparable to their enabled peers, despite the fact that, by definition, IDEA students are two years or more below grade level. The ensuing adequate yearly progress calculations skewed performance results; over-identified "failure" in many schools, districts and states; and led to one of the more contentious and continuing negative reactions to federal policy.

Table 2. Unintended Consequences of Federal Actions

Lowering state standards in response to failure-oriented model of unachievable proficiency.

Encouraging experienced teachers to leave struggling schools due to blame-throwing and narrowing of curriculum.

Forcing states with advanced but noncompliant accountability systems to abandon their efforts and comply with the letter of the law or face noncompliance penalties.

Setting up special needs students for failure by forcing them to test outside of grade level, even when that testing is outside their individualized education plan (IEP)

To address its concerns, the task force:

- Offers a brief summary of widely applied and recent K-12 reform elements (Table 3) that task force members consider proven and effective.
- Evaluates whether federal policy has focused on that initiative and whether that attention
 has been a help or hindrance; when it has been seamlessly integrated into state governance
 systems and when it has been at odds with state constitutional authority and statutes;
 when it has not only been targeted effectively at solving problems but has also created
 additional problems; and what lessons might be learned to help determine the path of
 future federal policy.
- Identifies examples of highly innovative state approaches that precede or supersede federal action and that subsequently are often at risk of being preempted by federal policy actions.

Table 3. K-12 Reform Elements			
Reform Element	K-12 Reforms During the Last Two Decades	Federal Education Policy Contributions to Reform	Examples of Successful State Actions Exceeding and/or Preceding Federal Initiatives
1. Standards-Based Reform (SBR)	A movement away from using "seat-time" (a measure of how many credit-units of English, math, etc. are needed to graduate) as an indicator of achievement to actually measuring a student's knowledge against a set of academic standards. Any discussion of standards-based reforms inevitably includes the polarizing determination about whether each state should continue to develop its own standards or if there is a need for common national standards.	Throughout the 1980s, states led the standards-based reform movement. In 1988, the movement received national attention when President George H.W. Bush called for a national education summit. Among the movement's champions was then-Governor Bill Clinton, who would further standards-based reform both as governor and as president. State approaches varied to account for differences in circumstances and cultures. Within a few years, Congress decided to "federalize" standards-based reforms. The Improving America's Schools Act (IASA—the 1994 reauthorization of the Elementary and Secondary Education Act [ESEA])—required states to develop standards and impose testing requirements for Title I (disadvantaged) students only—about 35 percent of all public schools students. Federal policymakers hoped states would begin testing all public school students. By the time Congress began deliberations on NCLB in early 2001, 48 states were well on their way to implementing standards-based reform. Pointing to a handful of states that were not moving fast enough to implement standards-based reforms, the federal government fundamentally expanded its reach. It passed NCLB, intending to selectively incorporate principles of individual state standards-based reform efforts and condense them into a single federal statute. As a result, NCLB articulately describes the problem of consistently under-performing students, and then mandates that standards-based reform, as practiced in Texas and a few other states, be practiced in every state, no matter where the state is on the continuum of standards-based reform. The new law tested reading and math skills only with multiple choice tests, despite pleas from assessment experts for multiple types of assessments covering a broader range of subject areas. Grade: "A" for intent, "D-minus" for implementation	A leader in SBR, Texas recently passed a comprehensive accountability overhaul. However, unless Texas drops its new standards and endorses a consortium of common standards, the state will be at a significant disadvantage to obtain federal Race to the Top funds. Michigan's Merit Curriculum requires "four credits of mathematics, (including algebra I and II and geometry), four credits of English language arts, three credits of science (including biology and physics or chemistry), three credits of social studies (including world history, U.S. history, civics/economics), one credit of physical education/health and one credit in applied arts. In addition, students must have an online experience or course and two credits of a world language for graduation.

Table 3. K-12 Reform Elements (continued)			
Reform Element	K-12 Reforms During the Last Two Decades	Federal Education Policy Contributions to Reform	Examples of Successful State Actions Exceeding and/or Preceding Federal Initiatives
2. Test-Based Accountability with Consequences	The use of standardized tests as the ultimate indicator of the performance of students, teachers, schools, districts and states—usually by applying a system of rewards and punishments for teachers and schools where students perform poorly. One rationale for test-based accountability is the belief that teachers, schools and districts are usually to blame for poor student achievement. This belief fails to take into account the most predictive variables of student achievement: the education level of the parent(s) and the stability and values of the family and community. Measuring student achievement therefore should be one—but not the only—measure of student proficiency and teacher and school effectiveness. If schools are expected to overcome factors from outside the school, we must emphasize those areas that most affect learning—school leadership and effective teachers—and use tests to help teachers teach, not to punish teachers and schools for the inequities of society. Testing discussions raise the issue of state versus national tests.	Federal education law set punishments for academic "failure" in reading and math (as indicated on standardized tests). There is widespread belief, articulated by the Harvard Civil Rights Project, that this NCLB requirement, "has not only failed to improve American education but has caused great harm through the single-minded focus on reading and math, the unrealistic expectations of 100% proficiency and the well-documented failings of the formula used to determine school success and failure—adequate yearly progress." Grade: "A" for intent, "D-minus" for implementation	Colorado and Texas: Texas for its already cited SBR reforms that include more rigorous standards, and Colorado for its growth model approach to accountability and data application.

Table 3. K-12 Reform Elements (continued)			
Reform Element	K-12 Reforms During the Last Two Decades	Federal Education Policy Contributions to Reform	Examples of Successful State Actions Exceeding and/or Preceding Federal Initiatives
3. High Expectations/ Common Academic Standards	The belief that, if you expect better performance from all students, you will get it. The belief that teaching to common, challenging academic standards for all will further motivate students to higher academic achievement.	The release of the "Coleman Report" (<i>The Equality of Educational Opportunity</i>) in the summer of 1966 contradicted the commonly held belief that public education was the great equalizer in American society. It introduced the notion that, without significant intervention, a child's academic success depended largely upon his or her family background. Controversy swelled around the findings that the pernicious effects of poverty, family disintegration, low expectations and community chaos were difficult if not impossible to overcome. Although more sophisticated methods have emerged to measure the effects of socioeconomic class, family and community, the curse of low expectations seems to have been ameliorated by federal policy under NCLB. The "soft bigotry of low expectations" charge led educators and policymakers to greatly enhance expectations of poor, minority and disabled students. Despite evidence that some disabled and poorly performing children respond negatively when challenged by high(er) expectations, the Task Force recognizes the value of high but realistic expectations for students. However, high expectations alone do not bring about significant achievement unless combined with other reform elements such as more systematic and rigorous teaching and more contact time between struggling students and teachers. Grade: "A" for intent, "C-minus" for implementation	The New England Common Assessment Program (NECAP) is used by Rhode Island, New Hampshire, Vermont and, most recently, Maine to establish common, challenging standards. States collaborate, saving money and staff resources without the federal government's support to do so. Louisiana, Maryland, Michigan and Texas have recently addressed expectations/standards issues. In 2006, the Texas Legislature passed HB 1, strengthening the state's standards and aligning them with college readiness standards. In 2007, SB 1031 replaced Texas' comprehensive high school exit exam (TAKS) with a series of end-of-course exams built on the college readiness standards. The effort to strengthen the state's academic standards continued with passage of HB 3 in spring of 2009 by incorporating the improved standards and assessments into the state accountability system. Unfortunately, eligibility for federal Race to the Top grants (beginning January 2010) are contingent upon each state endorsing to some extent common standards such as the one developed by a consortium led by the Council of Chief State School Officers and the National Governors Association. This leaves Texas at a disadvantage for the federal money unless the state drops its home-grown effort and endorses the federal mandate. The final irony in this saga is that in November 2009, Russ Whitehurst, former research director for the Education Department under George W. Bush and now a highly respected researcher for the Brown Center, released evidence strongly indicating a lack of any positive correlation between common, challenging standards and enhanced student achievement. Whitehurst says, "Differences among states in academic achievement do not seem to be related to differences in the quality of state content standards or the difficulty of passing the state assessment."

Table 3. K-12 Reform Elements (continued)			
Reform Element	K-12 Reforms During the Last Two Decades	Federal Education Policy Contributions to Reform	Examples of Successful State Actions Exceeding and/or Preceding Federal Initiatives
4. School Finance Reforms	The notion that equity (equal access to educational resources for each student within a school, district or state) and adequacy (sufficient resources available to each student to master the standards identified in standards-based reforms) are critical to improving student achievement.	Challenges in state courts to the inequities of a school funding formula based on property taxes have been successful in the majority of states. This led to restructuring of school finance formulas in a prolonged, painful but ultimately necessary process. In the landmark <i>Rodriquez</i> case, the U.S. Supreme Court held that the equal protections afforded citizens did not apply to how states and localities funded schools, leaving the issue out of reach of federal courts but not out of consideration by federal policymakers. Every term, without fail, Congress considers a bill to override state finance policies and "direct" state and local education spending from Washington, while inequalities in the distribution of federal formula funds (such as Title I) enhance disparities between schools within districts and states. (Federal distribution formulas are largely based on how much a state or locality spends, essentially sending larger per-student appropriations to well-funded schools and smaller per-student appropriations to lesser funded schools. In the face of this growing disparity, federal policies remain unchanged. This inequity is widely cited by advocates as a target for sweeping federal finance reforms and is well within the purview of federal policymakers). Grade: "C" for intent, "D" for implementation	Significant, voluntary and state-initiated finance reforms in Maryland, North Dakota and Pennsylvania have the potential to be substantial and long-lasting finance reforms. Hawaii provides an example of a truly innovative formula that incorporates weights for the differentiation of student needs without any court prompting.

Table 3. K-12 Reform Elements (continued)			
Reform Element	K-12 Reforms During the Last Two Decades	Federal Education Policy Contributions to Reform	Examples of Successful State Actions Exceeding and/or Preceding Federal Initiatives
5. Teacher Issues	The federal role in developing the teacher workforce dates back 50 years. It has expanded significantly but sporadically during the past decade. Teaching quality policy was initially focused on policies to recruit and train teachers, with a significant, yet confusing, number of federal funding streams. Recent emphasis has been on alternative certification and routes and ridding schools of emergency credentialed, unqualified teachers who are found disproportionately in low-income, low-performing schools. During the past five years, there has also been federal support for teacher and leader compensation reform. Federal policy efforts should focus less on whether a teacher is "highly qualified" (endowed with appropriate credentials) as defined by federal law, and more on teacher effectiveness through improved evaluation of a teacher's ability to motivate, mentor and inspire learning.	As cited by a recent GAO report, the many federal funding streams for teacher preparation programs, alternative routes, compensation reform, and generally for teacher quality can be quite confusing, both in theory and implementation. A more coordinated federal approach toward teaching quality that encompasses all the meaningful pieces of reform with fewer funding streams would be easier for state and local education agencies to understand and implement and could, perhaps, lead to greater emphasis on the issue to inspire significant reform. As it stands, states are challenged to cobble together these pieces to move toward meaningful change. The highly qualified teacher requirements of NCLB may have encouraged states to look more seriously at the practice of placing teachers with little or no experience in classrooms. But this requirement has drawn national attention from the important discussion of preparing, recruiting, placing and retaining effective teachers and perhaps has delayed important reform to this end. Rather than mandating elements of innovation, allowing room for statewide comprehensive strategies cultivated over time within the context of an individual state are more effective than single innovations such as alternative routes, bonuses or performance pay. Grade: "A" for intent; "D" for implementation	Good examples of states that are moving, on their own, toward improving teaching quality in a comprehensive way include the following. New Mexico for its threetiered licensure system; North Carolina for pioneering its teacher working conditions survey and making necessary changes as a result; Louisiana for the changes made via the Blue Ribbon Commission, including a data system that tracks teacher and student progress, informs teacher instruction and evaluates the effectiveness of teacher prep programs; and Minnesota for teacher compensation reform. As part of its Four Levels of Teacher Preparation Effectiveness, Louisiana was the first state to examine teacher preparation program effectiveness through the Value-Added Teacher Preparation Program Assessment Model. Using teacher and student state data and sophisticated statistical models, and with three years of stable and valid results to date, the study indicates that varying levels of effectiveness exist both across and within teacher preparation programs. The state is using qualitative research to help determine why some programs or institutions are more effective than others in preparing teachers.

	Table 3. K-12 Reform Elements (continued)				
Reform Element	K-12 Reforms During the Last Two Decades	Federal Education Policy Contributions to Reform	Examples of Successful State Actions Exceeding and/or Preceding Federal Initiatives		
6. Systemic Governance and/ or Comprehensive Reforms	Advocates have urged everything from reinventing K-12 by scrapping the current system for one that reflects elements of the German Dual System of early differentiation of career and academic pathways to broadening the "contact hours" of schools in the community to include before- and after-school services, tutoring and enrichment programs. Other options include increasing preschool, after-school and year-round schooling for atrisk youth and dramatically expanding authorization of public charter schools and other alternatives.	A strong case can be made that the U.S. education governance system has not evolved enough or grown away from its agrarian roots. Most parents are ambivalent, at best, about wholesale governance changes. Most parents and the general public do not have a positive view of the educational establishment but love their neighborhood schools. This creates a high threshold for action on wholesale changes in the system or for endorsing a stronger federal presence. Recent federal meddling in state policy regarding the regulation of charter schools portends badly for those who want to maintain a state-centered system. Grade: "D" for intent; "D" for implementation	Florida, Oklahoma, Oregon and West Virginia targeted preschool for at-risk children. Identifies and addresses achievement gap in preschoolers early. Changes initiated within more than 20 states with P-16 coordinating councils and alternatives to traditional public schools seem effective in some circumstances but not all. (With so many experimenting with this element, it becomes a possible target for a federal mandate requiring all states to adopt it.) Massachusetts and Utah have considered some of the recommendations of the "Tough Choices or Tough Times" Commission, especially those regarding a radically revamped teacher salary system. Arizona, Delaware, New Hampshire, New Mexico and West Virginia are considering components of "Tough Choices or Tough Times." Components of the "Broader, Bolder" report are being considered in California and Pennsylvania; that report may stimulate reforms in federal policy to broaden and coordinate services to at-risk youth.		

Table 3. K-12 Reform Elements (continued)				
Reform Element	K-12 Reforms During the Last Two Decades	Federal Education Policy Contributions to Reform	Examples of Successful State Actions Exceeding and/or Preceding Federal Initiatives	
7. Systematic and Appropriate Use of Data	To track and manage the data generated by test-based accountability, teachers, principals and schools must have timely access to and be able to apply the results to identify and address areas of individual academic problems ("formative testing"). Accurate data need to be gathered and applied appropriately.	Under federal law, data has too often been used inappropriately and rarely in formative assessments. However, federal data collection requirements that disaggregate data have shown how easily the performance of some subgroups is masked by higher performing students. (The raw data collected in compliance with NCLB provides insight but is corrupted when fed into adequate yearly progress calculations indicating success or failure of the school, district or state.) Grade: "B" for intent, "B" for results.	Colorado's development and implementation of a "growth" model in student assessment data is a major advance. Florida took the lead on a comprehensive data system decades before the federal government developed an interest in data and data systems.	

Conclusion

B ducation reform movements have roughly followed the same path as many other public policy innovations in the United States. Innovation and experimentation began in a few state legislatures. Other legislatures adapted reforms to fit the unique cultures and circumstances in their states. A second and even third generation of reforms refined the initial approaches. In the case of education policy, with passage of the No Child Left Behind Act, the federal government incorporated many of the state reforms into a single mandated national reform policy, thereby significantly expanding the federal role in the administration of elementary and secondary education. This assertion of federal authority into an area historically reserved to the states has had the effect of curtailing additional state innovations, exacerbating state fiscal problems and undermining many reforms implemented during the past three decades.

Once again, policymakers in Washington are presenting a broad vision of top-down school reform—developed through an insular regulatory process and driven by a one-time spike in federal funds—that is based on processes and elements that have proven successful in individual states but that certainly are not equally applicable to all states. The spike in federal funding has shored up needed fiscal support for public education but is unlikely to outlast the state fiscal crisis. The task force believes that lasting education reforms are not likely to be initiated or to survive when states are scrambling just to focus available funding on proven reforms already in place. For example, state commitments to preserving teaching positions or maintaining smaller class size may be more valuable than another round of federal incentives for improving data systems and/or increasing the number of charters. Those affected by these decisions are expected to endorse a vision for school reform based on four elements supposedly essential for school reforms in each and every state. This is merely another "one-size-fits-all" model that exists in the minds of those who apparently are blessed with the gift of knowing more than teachers, principals, administrators, superintendents, school board members, parents and state legislators combined.

The task force believes it is time to admit to past mistakes and excesses of intent. Federal policy has moved beyond its historic but limited core role and threatens to dominate, if not usurp, K-12 policy. Federal resources are squandered when national policy reforms and requirements do not match state and local conditions (as witnessed by the experience with NCLB implementation.) Limited federal money is spread widely but thinly. Long-standing federal mandates are enforced without the federal resources that were supposed to pay for them. The new role for the federal government should be narrower, more focused and realistic and should include the following.

- Concentrate available federal funding on those populations most at-risk, using a research-based formula that emphasizes helping the neediest students instead of trying to leverage system-wide reforms with the 7 percent federal contribution. Avoid the political expediency of spreading funds to every congressional district. Ensure that the neediest receive funding first and that funding does not depend upon the vagaries of the political process.
- Provide full funding for special education at the promised cost levels. Research indicates that the actual excess cost for educating a special needs student is not the 17 percent provided nor the 40 percent promised, but more than 90 percent above the average for educating students without disabilities. This enormous state and local tax burden has, for more than three decades, led to spiraling property taxes and legitimate taxpayer inquiries about where the money goes. (The simple answer: A good portion goes to meet federal IDEA promises and other unfunded and underfunded federal mandates.) Funding at promised levels (as opposed to an actual cost calculation that would nearly double the amount) would immediately free \$16 billion annually that, because of federal maintenance of effort requirements, would be redirected to reform and innovation at the state and local levels. This action would have the salutary effect of moderating future increases in property taxes.
- Make permanent the federal changes to the tax credit provisions of the bonding laws that apply to school construction. Infrastructure assistance is a legitimate federal role that does not interfere with ongoing public education system operations. Because it is a tax action, federal assistance in bonding school facilities also is not subject to the vagaries of the appropriations process. This action also would free tens of billions of dollars in state and local resources that would otherwise be spent on debt service for school bonds.
- Revitalize the federal focus on research and reporting on what works and why—one of
 the principal reasons for creating the U.S. Department of Education—without picking or
 mandating how and when "winning strategies" should be required by law or "encouraged"
 by withholding additional federal resources.
- Use any remaining funding to reward true innovation—not conformity with others or compliance with a checklist of reforms, but progress toward performance gains.

Against that record, the NCSL Task Force on Federal Education Policy submits its findings and recommendations, gathered from many hours of listening and learning from some of the country's expert education policymakers. The information was filtered through the public policy experiences of each task force member, which averages nearly 25 years per member.

Specific Findings and Recommendations of the NCSL Task Force on Federal Education Policy

A. The Federal Role in Education Reform

Findings

- The original mission of ESEA was to supplement state and local resources focused on the very disadvantaged. The mission broadened to include a formula that funneled money to ever-increasing numbers of students and schools and congressional districts and eventually extended the reach of the federal government into day-to-day processes in every school, district and state in the country—a role for which it has neither the capacity nor the responsiveness to fulfill.
- The federal role in K-12 under NCLB and IDEA is focused on process and compliance rather than on achievement and results.
- Federal policy puts states and districts in a bind when "voluntary" participation in a federal program is, in effect, coercive (as defined in *South Dakota v. Dole*) to cash-strapped school districts and states.
- Articulating a problem within public education is not the same as solving the problem. Identifying an effective way to solve the problem is far more important and far more difficult. Federal policy has more often been akin to the former, not to the latter.
- The hugely successful interstate highway system offers a model for effective federal assistance for a complex policy issue. Federal funds are used for highway projects administered by state officials. State and local entities now administer and police the highways with little day-to-day federal involvement.
- Pressure from national researchers, national nonprofit organizations and national advocacy groups artificially
 drives the argument for a larger federal role in public education.
- The enemy is not the states. Strategies and tactics that endorse that idea are hopelessly out of date and counterproductive and are driven to a great extent by groups that seek the ease of one-stop-shopping in pursuit of their agendas.
- Top-down mandates burn up valuable resources by the friction created between federal, state and local policy.

- A more robust federal effort to provide legitimate, nonpartisan research would help students, teachers and policymakers.
- Federal compliance checklists that identify and mandate the elements needed for successful school reform can stifle reform efforts already under way in the states.
- Federal education policy has minimized the effect of its resources by diffusing its focus onto the entire K-12 system rather than concentrating efforts on severely disadvantaged populations.

Recommendations

- "First do no harm"—we need a Hippocratic oath for federal policymakers.
- Federal education policy should capture and embrace the successful experiences of states and localities and distribute this knowledge to state and local policymakers and educators to encourage—not mandate—their replication or adoption.
- Turn the federal role in K-12 upside down; move from emphasis on process and compliance to encouraging student achievement.
- "Supplement, not supplant" should apply not only to federal funding, but also to federal administrative overreach. (Limited federal contributions to K-12 should not buy the federal government a disproportionate and predominant role in the day-to-day operations of local schools.)
- Federal policy should be positive, not punitive, and should use incentives, not punishments.
- Federal policies must be well thought through and vetted across the breadth of the K-12 governance structure. Poorly designed policies can have significant and unintended consequences for state and local policies and governance.
- The federal government should invest in more robust, nonpartisan research that aligns with questions with which states and schools need help to provide students, teachers and policymakers with valid and reliable information about effective practice.
- Federal policy should recognize and respect that mandates and preemptions on day-to-day school operations, especially when unfunded or underfunded, are unwarranted and not legitimate except in instances of civil rights violations or criminal malfeasance.
- Amending federal bonding rules to substitute a federal tax credit for interest payments on school bonds
 offers a simple, straightforward and meaningful federal subsidy, without creating a new, invasive bureaucratic
 process for states and local school districts. This model of federal involvement should be held as an ideal,
 not as an exception.
- Federal policy should recognize the constitutional and statutory authority (and limitations) of all levels of government regarding education policy.

- Federal efforts to preempt state statutes or policy either actively or through grant requirements are intended to appear as an inducement but, in reality, are frequently coercive. For example, Maryland, North Carolina and West Virginia are to be commended for their comprehensive reforms, even if those reforms do not include the prescribed number of charters as determined by federal policy or regulation.
- Federal policy must acknowledge and accommodate state-initiated reforms and not preempt measures states find viable or legitimate policy options that demonstrate successful educational reform.
- Redefine the state/federal role in education to one exemplified by the interstate highway system. This is an example of setting federal policy consistent with the model envisioned by the nation's founding fathers.

B. Existing Law: End It or Mend It

Findings

- One strength of ESEA/NCLB is the ability to obtain individual student data from the test results, and continued gathering and dissemination of this information is an important and legitimate role of the federal government. (The problem is how that data factors into adequate yearly progress determinations.)
- Appropriations increases do not resolve problematic policies.
- Current federal K-12 policy is at once too broad, too specific, too expensive, too punitive, too unsuccessful and filled with unintended consequences.
- Common standards entered into voluntarily by states are appropriate policy changes. Implementing, assisting the acceptance of or influencing National Standards is not an appropriate role of the federal government.
- The vast majority of a child's life is spent outside of school. Students come to school with unequal preparation. Ignoring outside factors that affect children's academic achievement and expecting the schools to produce the same results for all is unrealistic: it has not been achieved in any nation or in any educational system.
- Equal educational *opportunity* can be legislated and achieved as a civil right. Equal educational *attainment* can be neither legislated nor mandated—it requires an entirely different remedy.
- The common goal of policymakers at all levels should be to improve student performance. For example, no evidence exists to demonstrate that common standards will improve student performance. Participation in a movement toward common standards is—and should remain—a state decision and should not be the product of federal coercions masquerading as inducements. Removing the punish-first provisions of adequate yearly progress calculations from the system will remove incentives for states to relax standards.

Recommendations

- Don't tinker with NCLB. Fix it by starting over! No amount of money will make NCLB work and no type
 of mandate—whether funded, unfunded or underfunded—will lead to universal proficiency.
- The federal government must be realistic about what can be accomplished with limited resources and not
 over-reach its capacity. The federal government too often provides a level of resources that fail to match
 program requirements, and it has neither the capacity nor the necessary expertise to administer services and
 programs.
- Federal regulatory decisions must be transparent and subject to an appeal process independent of the secretary and the department.
- Rather than scheduling "reauthorizations" that use enacted legislation as a base, federal policymakers should use a form of "zero-based" authorizations that reviews and repairs the underlying statute.

- If education is as important as it is routinely declared to be, policy changes should be
 accomplished through a comprehensive, exhaustive and deliberate review, not simply
 through regulatory or budgetary changes.
- Statutory language giving a state the realistically attainable option of not participating should be included in any new federal education policy. An "opt-out" state would receive some portion of federal funding proportionate to the state's contribution to federal tax receipts. The only funds that the state would be at risk of losing would be those directly tied to those specific programs.
- It is better to use existing state and local funding streams to address specific problems rather than to create parallel mechanisms that circumvent existing state systems. Qualified Zone Academy Bonds (QZAB)—a federal tax credit for publicly bonded school construction—is an example of a successful federal enhancement of an existing system.
- Any federal involvement in developing common standards and tests should be based upon and circumscribed by the language Congress used in Public Law 96-88 in 1979 to create the Department of Education. That action charged the department with ensuring equal access for educational opportunity; supplementing and complementing the efforts of states; supporting research; and increasing the accountability of federal education programs to the president, Congress and the public. Note the lack of an endorsement for making states accountable for neither how they allocate their own resources nor how a state determines what paths to follow to enhanced student performance.
- The virtue of the standards movement is its genesis in the states and its adaptability to statespecific conditions. It has thrived and will continue to thrive without federal influence or domination, but only within the context of the established boundaries and limited role described in the federal charter. Policymakers should heed the lessons learned 20 years ago when NAEP "cut" scores were intentionally set artificially high to make a stronger case for radical federal intervention into K-12 policy. This illustrates how corrupted and political a seemingly innocent issue such as establishment of proficiency levels "cut" scores can be when brought to the national political stage.

C. State Initiatives to Integrate Federal Programs and State Policy

Findings

- The federal government is a junior partner in the operation of K-12 education. The federal role in education has been clearly defined by constitution and statute and ignored by successive presidential administrations.
- State constitutions assign the legislature the broad authority for "establishment and maintenance" of a system of public education.
- Local boards and state agencies are created by statute and act as administrative agencies of the state.
- Many problems generated by federal education policy would have been avoided if federal
 policymakers had respected the existing limits of constitutional and statutory construction
 and actively integrated those concerns into federal policy proposals.
- State education governance models are idiosyncratic to each state, making top-down federal mandates unlikely to succeed but likely to waste resources and generate unintended consequences.

Recommendation

State legislatures should actively exercise their oversight authority and consider laws and
regulations that require legislative approval before state education agencies apply for or
receive significant new federal program funds and their accompanying mandates.

D. Teacher Issues

Findings

- Teacher training, certification and assignment are state and local responsibilities.
- Teacher assignments are the responsibility of local educational agencies (school districts or local education agencies) and states. Federal policy should not intervene in those decisions unless federal dollars pay the teacher's entire salary.
- In regard to teacher preparation, induction, mentoring and remuneration, the federal
 government's role should be limited to researching the most effective practices and, when
 appropriate, giving states incentives through pilot proposals to avail themselves of these
 practices.
- Federal policy on teachers has focused on qualifications; it should focus instead on determining what makes an effective teacher.

Recommendations

- Federal policymakers can help states address a range of teacher issues by providing objective research, encouraging partnerships, and identifying best practices for teacher preparation.
- Teacher pay for performance is, as yet, an emerging and complex state and local issue that would benefit from federal research support.

E. Accountability and Testing in a High-Performance K-12 System

Findings

- High-stakes testing with consequences focuses resources on students who are on the cusp, to the detriment of lower performing and higher performing students.
- Tests are developed for specific purposes (e.g., student achievement) and lose their validity when used for other purposes (e.g., school performance or teacher effectiveness).
- High-stakes testing can corrupt the learning experience by narrowing the emphasis on untested subject areas.
- The basis of a legitimate accountability system is a valid standard and a valid testing instrument used in conjunction with a variety of assessment approaches.
- Testing all students at grade level is not an effective way to raise student achievement in the most vulnerable populations.

Recommendations

- Federal policy should avoid setting arbitrary and unrealistic standards. We cannot in any
 human endeavor guarantee ability or performance, but we can and should strive for equal
 opportunity for all.
- Federal policy should encourage an appropriate interpretation of data derived from formative testing so that deficiencies in student achievement are addressed when initially diagnosed.

F. K-12 Financing

Findings

- The unfortunate history of federal government intrusion into the financing of K-12 has been one of substantial increases in federal oversight and funding from small bases, followed by a departure from funding commitments as other federal fiscal priorities take precedence. The cumulative cost to state and local taxpayers for complying with IDEA shortfalls in federal funding is \$260 billion. The compliance cost for NCLB processes is estimated in some states to be as high as 11 percent of state expenditures per year, a surcharge that state and local taxpayers pay to implement NCLB.
- Federal resources make up slightly more than 7 cents on the dollar, requiring federal policymakers to spend money wisely, realistically and within the parameters of the existing system if positive results are expected.
- K-12 funding depends substantially on property taxes, which traditionally have been considered local funding. Case law increasingly finds that local government entities and the property taxes they raise, as instrumentalities of the state, are collected under the auspices of the state. Regardless, these revenues do not come from the federal government. Unfunded and underfunded education mandates imposed by federal policymakers have significantly added hundreds of billions of dollars to the state and local taxpayers' burden.
- Adoption of national standards is the first step down a slippery slope toward a national curriculum, national tests and, ultimately, to a national system of public education financed either nationally (not likely given the current state of the federal budget) or with continued overwhelming reliance on state and local revenues. In either case, there will be little or no state and local control or input. All roads to education will lead to Washington, D.C. There is neither the public nor the political will to endorse a nationalized public school system. Ignorance or avoidance of the reality of K-12 governance systems detracts from the real focus, which should be on student achievement.
- Other federal-state policy relationships have seen far more federal commitment to accompany far greater federal intrusion and regulation. Federal Medicaid policy is extensive but is supported by the federal government's 55 percent contribution to the program. The reauthorization of the Surface Transportation Act for building roads and bridges is extensive (nearly 1,000 pages of statutory language and thousands more pages of regulatory guidance), but the federal government provides 80 percent to 90 percent of the money for the projects funded therein. NCLB statutory and regulatory burdens account for thousands of pages (and the average state statutory and regulatory burden for governing the entire system is about 200 pages), but federal support for K-12 remains at slightly more than 7 percent of the \$550 billion yearly budget. In education, a gross disparity exists between the amount of federal influence and the amount of federal dollars.

Recommendations

- Federal resources should be sufficient to accomplish specific goals of federal policymakers. If resources are not available (ref: IDEA and NCLB), there should be no mandates.
- Recognize that, because of limitations of federal funding and capacity, federal funding should be highly targeted to those most at-risk or in need.

APPENDIX. CURRENT AND RELATED NCSL STATE/FEDERAL POLICIES

National Standards

The nation's legislators support the need to improve elementary and secondary education so that all students have access to a challenging and rewarding public education. The No Child Left Behind Act (NCLB) requires states to test all children once a year in grades 3-8 and once in high school based on state standards and assessments. Recent discussions and proposals to create a system of national educational standards are generally based on two assumptions: the first that NCLB is generating test results with no comparability of academic scores from one state to another. The second is that states are lowering standards (or re-defining 'proficiency') to avoid the negative consequences of federal adequate yearly progress (AYP) calculations.

Supporters of national standards point to the incomparability of state AYP results as a rationalization for their cause. However, comparability of state results is not critical to the potential success of NCLB nor is it a goal of the law. NCLB is supposed to be about improving individual student performance—a rising educational tide that raises the performance of all while closing the achievement gap.

According to the National Conference of State Legislatures Task Force on No Child Left Behind, the primary problem with NCLB is that AYP falsely and arbitrarily over-identifies failure and prescribes punishments—driving states to broaden the definition of proficiency and/or relax standards. In this situation, states are reacting rationally to an irrational metric and the obvious action is to fix the metric.

Some consider national standards or tests as a legitimate quid pro quo for substantial overhaul of NCLB; others see voluntary regional or national consortiums on standards as a desirable outcome. But all states want educational emphasis to be on achievement; and not on process; as is emphasized by NCLB. Past efforts to create national standards or a national test have been proposed by every administration since the presidency of George H.W. Bush. Each federal attempt has proven partisan, divisive and unsuccessful.

We need rigorous state standards that are anchored in real world demands students will face after high school, that are aligned to K-12 curriculum, assessments, high school graduation requirements, college placements standards and other related policy tools and practices. This can be most readily accomplished through individual state refinement of standards or the voluntary participation of states in joint efforts like Achieve's American Diploma Project, not through federal action—which flies in the face not only of the role of states since the inception

of our system of providing education; but the historical role of states and local school districts in funding education with diminished federal support.

The federal government's role in K-12 education policy has been greatly enhanced by the passage of the No Child Left Behind Act. The Act prescribes new and far-reaching procedural, administrative and implementation conditions that states and local school districts must meet as conditions for receipt of those funds. Federal funding increases in NCLB are exhausted by the compliance costs of NCLB, leaving states with little or no funding to raise the proficiency scores of struggling students through remediation known to have an impact on performance. The current federal role then is strong on monitoring procedural and administrative compliance and weak on successful interventions and rewards encouraging enhanced student performance.

Federal statutory construction in the legislation creating the U.S. Department of Education prohibits federal involvement in a national test. Similar language in NCLB prohibits federal involvement in standards, assessments and curricula. These protections against federal involvement in state and local issues should be adhered to and continued. It is the position of the National Conference of State Legislatures that there is no legitimate or constructive role for federal involvement in national academic standards or a unified national test, especially while the structural flaws of NCLB remain unaddressed.

All states want AYP to be a valid metric and all states want to evaluate students with disabilities and limited English learners with appropriate measures. All states want to believe that granting flexibilities and waivers to implement NCLB is fair, consistent and transparent. NCSL urges Congress to focus on fixing NCLB now, not by adding additional layers of national, one–size-fits-all statutory and regulatory requirements on the law. Absent a thorough and comprehensive review of existing provisions, continued support for state and local organizations that have historically provided the foundation for education policy and funding is essential.

Expires August 2010

The Federal Role in Elementary and Secondary Education

Legally and traditionally, elementary and secondary education policy has been defined broadly by state constitutions, specified by state statutes and implemented by state agencies, school boards and local school districts. For more than thirty-five years, federal involvement in education was modest in resources and limited in scope, targeting under-served populations with the expectation of raising student achievement for disabled and economically disadvantaged students.

Funding

The flow of federal funding directly to state education agencies creates state governance issues and aggravates oversight concerns by bypassing established state budget processes. It is the position of the National Conference of State Legislatures that all federal funds should be incorporated into the state's budget process for open and deliberative hearings and deliberations. Federal funding should not bypass constitutional and statutory provisions by going directly to state or sub-state bureaucracies or agencies.

Despite the enactment of No Child Left Behind (NCLB) in 2002, K-12 education remains a state and local financial responsibility. The federal government provides about \$40 billion of the \$550 billion currently expended on K-12 education, making up 8% or less of the nationwide K-12 budget. Every additional \$1 billion in federal appropriations increases aggregate K-12 expenditure by two-tenths of a percent.

Reauthorization of the Elementary and Secondary Education Act

Appropriations increases associated with the enactment of NCLB increased federal resources modestly but greatly enhanced the role and reach of the federal government into the day-to-day operations of public schools by mandating the use of a flawed and discredited academic metric that over- identifies 'failure' and leads inevitably to a process and compliance model of federal-state interaction. States were left with the responsibility for figuring out how to reach an admirable yet statistically unattainable goal of 100% proficiency for all students, all to be accomplished with the 2% net increases in K-12 funding made available through increases in federal appropriations.

The nation's legislators commend the Congress for its efforts to identify the unmet needs of children in our education systems and efforts to improve federal education policy. However, current federal policy attempts to leverage reform and improvement for all students, diluting the impact of limited federal resources. The nation's legislators expect federal policy to supplement, not supplant state policy and to respect the progress, improvements and innovations made in our state systems by providing the flexibility to implement reforms according to specific conditions in our states. NCLB reaches too far and violates basic principles of federalism, significantly shifting control of K-12 education to federal bureaucrats and away from state and local elected officials.

State legislators take their authority and accountability for public education seriously and expect the federal government to honor its commitment to a federal system by calling upon the Congress to amend ESEA as follows:

- Incorporate the recommendations of the NCSL Task Force on No Child Left Behind, which
 range from the need for a revitalized state-federal partnership to specific recommendations
 for overhauling Adequate Yearly Progress (AYP), to amending the state plan approval
 process to make it more transparent, less arbitrary and less subject to the whims of political
 influence, to changing the sequence of consequences for under-performing schools.
- Follow the concept of incentive-based programs as opposed to the coercive, punitive system at the heart of NCLB.
- Acknowledge state constitutions and state elected officials as well as basic principles of federalism.
- Avoid any reduction in federal K-12 funding for any state that can show continuous improvement in student achievement, and/or a closing of the achievement gap in that state, using any legitimate metric that is incorporated into state policy.
- The nation's legislators expect federal education policy to be an effective and efficient tool. This can only be done by re-thinking ESEA in its entirety, not by a piecemeal approach that grants regulatory relief to a few states on a few select issues while ignoring the systemic problems imbedded in the federal law.

Expires August 2011

The Federal Role in Authorizing Charter Schools

The Public Charter School movement was created to provide a viable alternative to low-performing public schools. Freedom from the bureaucratic constraints of the public K-12 system was supposed to allow for the development of flexible and innovative approaches to the education of struggling students. Charters were expected to generate a productive sector that would help close the achievement gap between majority and minority students.

Recent reports from a variety of sources indicate that the experience of charters is marked by mixed results. In recent findings on charter school performance by the Center for Research on Education Outcomes (CREDO) a Stanford University-based think tank, students in charters fared better than their matched peers in traditional public schools in only 17% of the cases. They performed worse in 37% of the cases and neither better nor worse in the remaining 46%. A recent study across eight states, funded by the Gates Foundation and conducted by the Rand Corporation also shows mixed results. In addition, there are concerns among state policymakers that rather than close the achievement gap by providing alternatives for struggling minority students, some charters are having the effect, whether intended or unintended, of resegregating public schools. One charter cited has no students on free and reduced lunch and all students with an average family income in excess of \$100,000—a clear indication that the school is not serving poor and minority youth.

On the positive side, the CREDO report also found that certain groups of charter students had better academic growth than similar students in traditional public schools, including students in poverty, English language learners, students in elementary and middle school grades. In addition, some parents and administrators point to the satisfaction of parents with charters as an indicator of their worth. Surveys have indicated that parents feel their children are safer and both parents and administrators recognize the some student demographic groups do respond well to the structure characteristic of charters.

Numerous states have included charters as one element in their overall mix of school reform and restructuring plans while other highly regarded state reform efforts have not included charters. The lesson learned by state policymakers is that charters can have some positive benefits beyond closing the achievement gap but are neither inherent nor essential to implementing successful state-wide reforms.

Despite the mixed results indicated by the body of research, the U.S. Department of Education is considering a plan to evaluate state charter school laws, rewarding states that meet whatever quota of charters is determined in Washington, DC and punishing states that fail to meet the quota. And while some will defend this position by emphasizing the 'voluntary' nature of using federal funds to reward 'good' behavior, the withholding of any federal stimulus funds (in this case the "Race to the Top" funds) is a stick, not a carrot. The American Recovery and Reinvestment Act of 2009 established four clear goals for states to focus their education reform efforts. However, ARRA does not dictate the processes for achieving these goals. The Department of Education's emphasis on charter schools as a means to improve struggling schools is a regulatory step that goes beyond the legislative intent of Congress. This action could have the effect of usurping state chartering authority and preempting state constitutions. It is also beyond the limits of the language creating the Department, but for what end? If a medicine were discovered that helps 17% of people, doesn't do anything for 46% and hurts

37%, would the Food and Drug Administration approve and encourage that medicine for all?

The NCSL strongly urges the Department to refrain from linking a state's charter school laws with its eligibility for federal assistance. Charters are a reform idea that began as a state initiative and as a part of some states' overall reform plans and one that should stay that way. To this end, NCSL also strongly recommends that the federal government focus on the results of school reform efforts and not on the processes used to achieve reform goals. We have already seen and experienced the damage that can be done when the federal government adopts a component of reform from one state and imposes it upon the other 49.

Expires August 2012

Federal Funding for Special Education

The nation's legislators support equal opportunity for all citizens and support the purposes and spirit of the Education for All Handicapped Children Act of 1975. This law and its subsequent amendments, including the Individuals with Disabilities Education Act (IDEA) of 1990 and subsequent reauthorizations in 1997 and 2004 mandates that states provide a free and appropriate education (FAPE) and procedural safeguards for all children with disabilities without regard to costs incurred by the states and local school districts.

States have enacted their own statutes and regulations to comply with federal laws and, in many cases have gone beyond what is mandated by the federal government in providing services. State and federal laws and regulations, combined with the extensive and increasingly complex case law that has developed around this act, have made the practice of delivering services to students with disabilities complex and costly for states and communities.

The original federal special education law and its subsequent amendments include a provision that authorizes the federal government to fund 40 percent of the average per pupil expenditures (APPE) in K-12 nationwide, an estimate at the time of the excess cost for educating a special education student that the federal government would bear. Since its enactment, the federal government has appropriated funds at levels between 8 and 17% of APPE. The U.S. Department of Education Budget Service estimates that FY 2010 appropriations of \$11 billion leave states and localities \$16 billion under the 40% mark. Cumulative federal funding gaps since 1977 have left states and localities with a \$261 billion unfunded federal mandate.

Recent reports indicate that actual spending for special education services is 95% above APPE – not 40%. In effect, this means that the federal government is paying less than half of what was promised (17% of the 40% of APPE promised), which is half of what it costs states and localities to comply with the law (95% of APPE).

In a system already strapped for funds, federal statutory and regulatory changes further erode support for special education services by passing procedural and compliance costs to the states. The latest IDEA reauthorization enacted in 2005 added 20 "performance indicators" of which nearly half—according to the Department of Education—are indicators of compliance with federal law-not measures of student achievement.

For 32 years the Congress has put off meeting its commitments to special education funding. In the 2004 reauthorization, the Congress attempted to address this issue by setting voluntary spending targets in a glide path to full funding by 2011. The targets were ignored in the first cycle of appropriations after the reauthorization and in subsequent budget cycles.

NCSL strongly urges the Congress to honor its original commitment and fully fund 40 percent of the Average Per Pupil expenditures (APPE) for Part B services as authorized by the Act and to move Part B allotments for special education from the discretionary side to the mandatory side of the federal budget.

Expires August 2013

Education at a Crossroads A New Path for Federal and State Education Policy

Our children deserve better. They deserve an education system where resources—whatever their source—are maximized, not spent on procedural and compliance issues. They deserve—and we should require—federal resources that enhance state structures and support state efforts, instead of undermining them and circumventing state governance structures.

This report from the NCSL Task Force on Federal Education Policy offers recommendations for a more clearly defined and productive federal government role in state education policy.



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