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Good morning Mr. Chairman and Members of the Committee.

I appreciate this opportunity to present the Administration's views on the upcoming reauthorization of the Elementary and Secondary Education Act (ESEA) of 1965. The Administration is working on a detailed reauthorization proposal that we plan to submit for your consideration next month. The Department will also soon submit to Congress several reports evaluating the implementation and impact of Title I, other ESEA programs, and Goals 2000. Today I will provide an overview of our reauthorization efforts, as well as some of our specific recommendations. If there is one overriding principle that defines what we hope to accomplish, it is to end the tyranny of low expectations and raise achievement levels for all of our young people.

Let me begin by urging the Committee to develop a single, comprehensive bill reauthorizing the Elementary and Secondary Education Act. Some have suggested a title-by-title approach that could lead to several separate bills. This concerns me, because we have worked very hard with the Congress in recent years to develop a comprehensive approach to Federal support for education reform. If our efforts are to be successful, it is very important for all the pieces to fit together, complementing and reinforcing each other to help States, school districts, and schools to make the changes needed to raise achievement for all students. This is why the Administration is developing a single, integrated reauthorization proposal, and I hope you will do the same.

I also want to point out that with the nearly simultaneous reauthorization of the Department's Office of Educational Research and Improvement, we have a unique opportunity to develop a comprehensive agenda for independent research to support improved practices and instruction in elementary and secondary education. We should make every effort to develop research-based solutions to the many challenges we face in elementary and secondary education, and to get the best information on what works into the hands of parents, teachers, principals, and superintendents across the Nation.

BACKGROUND AND ACCOMPLISHMENTS

This is, of course, this Administration's second opportunity to work with Congress on improving the ESEA. The 1994 reauthorization—the Improving America's Schools Act—took direct aim at transforming a Federal role that for too long had condoned low expectations and low standards for poor children. Along with the Goals 2000: Educate America Act, the 1994 reauthorization reflected a bipartisan effort to raise expectations for all children by helping States and school districts to set high standards and establish goals for improving student achievement. The 1994 Act included provisions to improve teaching and learning, increase flexibility and accountability for States and local school districts, strengthen parent and community involvement, and target resources to the highest poverty schools and communities.

There is strong evidence that these changes, particularly the emphasis on high standards, have helped States and school districts carry out the hard work of real education reform. States that led the way in adopting standards-based reforms—like Kentucky, Maryland, North Carolina, and Oregon—found new support from Federal programs that helped them to raise reading and math achievement. In other States, the new ESEA and Goals

2000 encouraged and supported improvements in teaching and learning tied to high standards. For example, in a very positive report on Goals 2000 by the General Accounting Office (GAO), we were most pleased that State officials described Goals 2000 as “a significant factor in promoting their education reform efforts” and a “catalyst” for change.

Signs of Progress

Partly as a result of changes at the Federal level and our new partnerships with the States, 48 States, the District of Columbia, and Puerto Rico have developed state-level standards and two States have pushed for standards at the local level. More importantly, there are promising signs of real progress toward meeting these higher standards in the classroom. The National Assessment of Educational Progress (NAEP), for example, has shown significant increases in math scores at the 4th, 8th, and 12th grades (See Chart 1). The National Education Goals Panel reported that between 1990 and 1996, 27 States significantly increased the percentage of 8th graders scoring at either the proficient or the advanced level on the NAEP math test (See Chart 2).

Tomorrow the National Center for Education Statistics will release its national report card on reading, and I understand we will see some improvement. Making sure that every child can read well and independently by the end of the third grade is a key benchmark of whether or not American education is improving. This has been a very high priority for the Administration and over the past few years a strong, bipartisan consensus has emerged on the importance of helping all children master this key prerequisite for all further learning. Title I provides substantial resources to improve reading instruction, and last year, Congress on a bipartisan basis passed the Reading Excellence Act to strengthen State and local efforts to improve reading in the early grades. We also now have some 20,000 College Work-Study students serving as reading tutors.

“Leading-Edge” States

Turning from the national to the State level, individual States have made notable progress in a very short period of time (See Chart 3). North Carolina, for example, more than doubled the percentage of its 8th graders scoring at the proficient or advanced levels on the NAEP math test, from 9 percent in 1990 to 20 percent in 1996. In Texas, the percentage of 4th grade students reaching the NAEP proficient or advanced levels rose from 15 percent in 1992 to 25 percent in 1996.

The National Education Goals Panel issued a report authored by the RAND Corporation that examined experience of these two States. This report found that the “most plausible explanation” for the test-score gains was an “organizational environment and incentive structure” based on standards-based reform, defined as “an aligned system of standards, curriculum, and assessments; holding schools accountable for improvement by all students; and critical support from business.” This report also goes on to tell us that the willingness of political leaders to stay the course and continue the reform agenda, despite “changes of Governors and among legislators,” is another key element that has defined the success of these two leading States.

Many states are not yet implementing proven practices that are working in some of this Nation's "leading-edge" States. According to recent special report on accountability in *Education Week*, 36 states issue school report cards, 14 do not, and fewer than half of the parents in States that do issue report cards are aware of their existence. The report also tells us that only 19 States provide assistance to low performing schools, and only 16 States have the authority to reconstitute or close down failing schools. Only about half the States require students to demonstrate that they have met standards in order to graduate, and too many still promote students who are unprepared from grade to grade. So we have work to do.

New Flexibility at the Federal Level

The 1994 reauthorization also brought real change to the way we do business at the Department of Education. We made a very determined effort to give States and school districts greater flexibility to make innovations that help all students reach high standards. Our regulatory reform effort, for example, systematically examined every Department regulation and set very specific criteria for regulating only when absolutely necessary. The Office of Management and Budget has supported this approach, and other Federal agencies have since adopted it as a model. Under our new regulatory criteria, we found that we needed to issue regulations for only five of the programs included in the 1994 ESEA reauthorization; thus we eliminated a full two-thirds of the regulations previously covering the Elementary and Secondary Education Act.

Another major improvement was to give States the option of submitting a single, consolidated State application, instead of separate applications, for the majority of ESEA programs. Not surprisingly, every State but one has adopted this approach, which both reduces paperwork and encourages a comprehensive approach to planning for the use of Federal funds. Moreover, States now submit their single plan just once during the life of the authorization cycle, with brief yearly updates to ensure accountability. States reported in fiscal year 1996 that the consolidated application slashed paperwork requirements by 85 percent.

In addition, the Department has vigorously implemented the waiver provisions included in the 1994 reauthorization, which permit States, school districts, and schools to request waivers of statutory and regulatory requirements that present an obstacle to innovative reform efforts if there are adequate accountability safeguards in place. Our efforts included a Waiver Hot Line as well as comprehensive waiver guidance at our site on the World Wide Web.

Since the reauthorization of ESEA in 1994, the Department has received 648 requests for waivers from States and local districts and granted a total of 357 waivers. Overall, the Department has approved 55 percent and disapproved 8 percent of all waivers requested. Of the remainder, 28 percent were withdrawn largely because districts learned that they had sufficient latitude or flexibility under existing law to proceed without a waiver, demonstrating that the ESEA is more flexible than many people thought even without the waiver authority.

ED-Flex

Another approach to flexibility is the ED-Flex demonstration program, which allows the Department to give States with strong accountability mechanisms the authority to approve waivers of certain Federal statutory and regulatory requirements that stand in the way of effective reform at the local level. Congress has authorized up to 12 States to participate in ED-Flex.

We are proposing to expand ED-Flex to allow all eligible States to participate. I believe such an expansion should be considered, not as a free-standing bill, but in the context of reauthorization, our emphasis on accountability for results, and other programmatic issues. ED-Flex can be an important tool for accelerating the pace of real reform in our schools, but it must be done thoughtfully. ED-Flex cannot be used to get around established civil-rights protections.

Federal Education Dollars to the Local Level

One final issue I want to touch on is the Department's performance in getting Federal education dollars to the local level, where they can do the most good. There have been a number of "dollars to the classroom" proposals over the past two years based on the assumption that the Department of Education retains a significant portion of Federal elementary and secondary appropriations to pay for administrative costs.

The truth is that over 95 percent of all the dollars appropriated by Congress for ESEA programs already go to local school districts. Almost all of the rest goes to States to provide technical assistance, to support the use of standards and assessments, and to provide oversight. If the "95 percent" figure sounds familiar, it is because some of those proposals I mentioned promise to send 95 percent of Federal dollars to the classroom.

I recognize that some may argue about whether the "local level" is the same as "the classroom." My view is that once the funds reach the local level, it is up to local elected school boards to decide how best to spend them to achieve the purposes of the programs enacted by the Congress. We in Washington should not attempt to bypass local school boards and deny them their lawful responsibility to determine how to meet the educational needs of their students.

I believe that these accomplishments—widespread adoption of challenging standards, promising achievement gains nationally and even more improvement in "leading-edge" States, and new flexibility for States and school districts—show that we were on the right track in 1994. The evidence demonstrates a clear connection between raising standards and raising student achievement. The record also shows, however, that many States and districts are still phasing in the 1994 reforms. Taken as a whole, this experience provides a compelling argument for the Administration and Congress to keep working together to help States and school districts get high standards into the classroom, and to push for improved incentives and strengthened accountability mechanisms to ensure that these reforms take hold.

THE NEXT STAGE: RAISING ACHIEVEMENT IN OUR SCHOOLS AND CLASSROOMS

Let me lay out for you the broader context for our ESEA reauthorization proposals. In 1994, we broke sharply with the past and made a significant policy shift in putting an end to the practice of giving students a watered-down curriculum. I strongly believe that the tyranny of low expectations—and it is tyranny—has been one of the great flaws of American education. We vigorously oppose the idea of “dumbing down” American education. Instead of “dumbing down,” we want to “achieve up.”

To support this effort we have developed a comprehensive, three-part strategy of (1) targeting investments to disadvantaged children, with particular attention to the early years of schooling; (2) improving teacher quality, and (3) real accountability. All these pieces need to fit together if we want to raise achievement levels.

First, our investments in the Title I, the Class-Size Reduction program, the Reading Excellence Act, education technology, and after-school programs—to name just a few—are all part of our effort to get communities and their teachers and principals the resources they need to raise achievement for all students. We have put a real emphasis on the early years of schooling because research and common sense tells you that if a young person can “master the basics” early, they get off to a much better start in their education.

We want to improve academic achievement for all students, with a special emphasis on closing the gap upward between poor and minority students and other students. This is why, for example, we are such strong supporters of reducing class size in the early grades. Research from the Tennessee STAR study demonstrated that reducing class sizes in the early grades led to higher achievement for all students, with poor and minority students showing the greatest gains.

Second, we think it is absolutely essential to put a highly qualified, dedicated teacher in every classroom in America. John Stanford, the inspiring former superintendent from Seattle who recently passed away, had this marvelous slogan that summed up his philosophy: “the victory is in the classroom.” If we are going to achieve many more victories in the classroom, we simply have to raise teacher quality and get many more certified teachers into our Title I schools. This is why we asked the Congress to fund a strong teacher quality initiative in reauthorizing the Higher Education Act last year. Our intent here is to make high standards part of every teacher’s daily lesson plans. I will discuss this part of our proposal in greater detail later on in my testimony.

Strengthening Accountability

Stronger accountability is the third part of our broad strategy of improvement. We believe that effective accountability measures—what business leaders call quality control measures—can make sure that our investments are used wisely and actually produce the desired results.

Much of our thinking about accountability has been informed by successful accountability initiatives at the local and State levels. The most thoughtful education leaders

at the State and local level are doing what we are proposing: they are ending social promotion, requiring school report cards, identifying low performing schools, improving discipline in schools and classrooms, and putting in place measurable ways to make change happen, such as basic skills exams at different grade levels. They are striking a careful balance between giving schools the increased support and flexibility they need to raise achievement levels and, at the same time, holding schools accountable when they do not measure up to clearly established goals. We are trying to strike that same balance in our reauthorization proposals.

Our emphasis on accountability in ESEA, and in particular in Title I, seeks to build on, support, and encourage these growing State and local efforts to pick up the pace of standards-based reform. Here it is important to recognize that we are not talking about more regulations. We want better results. There is both a moral and a fiscal dimension to being more accountable. We cannot afford to lose the talents of one child, and we cannot waste the substantial resources entrusted to us by American taxpayers.

The “either or” thinking that has dominated the public debate to date about our accountability proposals—more Federal control versus less local control—really misses the point entirely about what we seek to achieve. If a State is putting its own accountability measures into place, we are not demanding that they replace their measures with our measures. If a State does not have such requirements in place, then it makes a good deal of sense for them to adopt our proposals. We expect States to do this because it is good education policy and the right thing to do for the children.

Our approach to increased accountability is one of graduated response, a range of options—some positive and others more prescriptive—that can help break the mold and get low-performing schools moving in a more positive direction. On the positive side of the continuum, you give school districts the flexibility they need if you see that they are making progress. If a school or a school district simply isn’t making things happen, we want to shake things up and work with State and local officials to find out why. The local school district, for example, may not be giving teachers the real professional development time they need.

If a school district is refusing to change, we are prepared, for example, to be much more specific about how it uses ESEA funding. We do not intend to be passive in the face of failure. We will help, nudge, prod, and demand action. And, if we have to, we are prepared to restrict or withhold ESEA funding.

We recognize that a complete accountability system should be multi-dimensional and include high expectations and accountability for everyone in the system. All of us are responsible for ensuring that all students reach high standards. The accountability measures in our reauthorization proposal will be designed to (1) help school districts and states provide students with a high-quality education, (2) focus on continuous improvement, and (3) hold students, teachers, principals, schools, and districts to high standards.

It is important to note that our proposed accountability measures reinforce and build on similar provisions enacted in 1994. For example, the underlying structure of the Title I accountability provisions is sound, and a minority of States are hard at work emphasizing continuous improvement and holding schools and principals accountable for results. Many

States, however, have not fully implemented the Title I provisions and have moved only tentatively to make other changes based on high standards and accountability.

We seek to speed up and strengthen the process by requiring States to take immediate action to turn around low-performing schools, to give parents annual report cards, to end social promotion, to improve teacher quality, and to have well-thought-out discipline policies in place that make a difference.

Meeting State Standards

First, we would retain the current Title I requirement that States establish assessments aligned with State content and performance standards by the 2000-2001 school year. States must also define adequate yearly progress for Title I schools and local school districts in a manner that would result in continuous progress toward meeting State standards within a reasonable time frame.

Turning Around the Lowest Performing Schools

Second, States should take immediate corrective action to turn around the lowest performing schools. Currently, there are over 6,500 schools and 1,300 school districts designated under Title I as needing improvement. These schools and districts were placed in school-improvement status after making little or no improvement over a period of two years. Many of these schools are still showing no improvement despite receiving additional support. We are saying our children have spent enough time in low-performing schools—it is time to take action now.

States should quickly identify the lowest performing schools that are failing to show improvement and provide additional support and assistance. If any school continues to show no improvement, States should take bold action such as reconstituting the school or closing the school down entirely and reopening it as a fresh new school. The Department's 2000 budget request includes a \$200 million set-aside in Title I to help jumpstart this process of State and district intervention in the lowest performing schools.

Annual Report Cards

Third, annual report cards at the State, district, and school levels should be a requirement for receiving ESEA funds. The report cards should provide invaluable information on improvement over time or the lack thereof. They should include information on student achievement, teacher quality, class size, school safety, attendance, and graduation requirements. Where appropriate, the student achievement data should be disaggregated by demographic subgroups to allow a greater focus on the gaps between disadvantaged students and other students.

For report cards to make sense they need to be easily understood by and widely distributed to parents and the public. As I indicated earlier, while 36 States already require report cards, many parents and teachers from these States say that they have never seen them. Our proposal is intended to give parents a tool they can use to join the debate over bringing

high standards into the classroom, to advocate on behalf of their children and their children's schools, and to work with teachers and principals to make improvements.

I assure you, if parents find out that their children are going to an unruly or unsafe school, there will be standing-room only at the next school board meeting and that can be a very good thing. If parents discover that test scores are down at their school but up at a nearby school, they will start asking questions and spark reform. In short, a good, honest report card gives parents a real accountability tool that allows them to make a difference in the education of their children.

Separately, we have proposed an additional test that can help parents determine if their children are measuring up: the voluntary national tests in 4th grade reading and 8th grade math. The independent, bipartisan National Assessment Governing Board (NAGB) is developing a plan for this test, in accordance with language in the Fiscal Year 1999 Appropriations Act. I ask the Committee to join me in looking carefully at this plan when NAGB announces it later in the spring.

Ending Social Promotion

Fourth, all States receiving ESEA funds should end the practice of social promotion. I want to be clear that in calling for an end to social promotion we are not encouraging school districts to retain students in grade, instead we are asking school districts to prepare children to high standards. That is why we have pushed so hard for programs like Class Size Reduction, the Reading Excellence Act, and the 21st Century Community Learning Centers after-school initiative, which invest in the early years and help to minimize the number of children at risk of retention in grade.

Research indicates that from 10 to 15 percent of young adults who graduate from high school and have not gone further—up to 340,000 students each year—cannot balance a checkbook or write a letter to a credit card company to explain an error on a bill. In addition, about 450,000 to 500,000 young people drop out of high school between the 10th and 12th grades. These are the young people who are hurt by current practices. We need to make sure these students are given the support they need to succeed.

The President's call for an end to social promotion is designed to tell students that "performance counts," and to encourage districts and schools to take aggressive action to help all students meet promotion standards on time. States should target their efforts at key transition points, such as 4th, 8th, and 10th grades, and should use multiple measures, such as valid assessments and teacher evaluations, to determine if students have met the high standards required for promotion to the next grade. States would develop their own specific approaches to match their unique circumstances.

Strategies to end social promotion include early identification and intervention for students who need additional help—including appropriate accommodations and supports for students with disabilities. After-school and summer-school programs, for example, can provide extended learning time for students who need extra help to keep them from having to repeat an entire grade.

Ensuring Teacher Quality

Fifth, States must do more to ensure teacher quality. States receiving ESEA funds should adopt challenging competency tests for new teachers, phase out the use of uncertified teachers, and teachers who are teaching out-of-field. Less than two weeks ago, we released our first biannual report on Teacher Quality. In developing this report, we are making a statement that we are going to keep coming back to the issue of teacher quality again and again. The report told us that less than half of America's teachers feel very well-prepared to teach in the modern classroom. Teachers cited four areas of concern: using technology, teaching children from diverse cultures, teaching children with disabilities, and helping limited English proficient (LEP) students (See Chart 4). This study really is a cry for help and we need to respond.

I know the Members of this Committee share our concern about teacher quality, and we want to work with you to address that concern. Research shows that qualified teachers are the most important in-school factor in improving student achievement, yet more than 30 percent of newly hired teachers are entering the teaching profession without full certification, and over 11 percent enter the field with no license at all.

Our ability to raise academic standards also is hindered by teachers teaching "out of field." Overall, nearly 28 percent of teachers have neither an undergraduate major nor minor in their main assignment fields. Another significant concern is the practice of using teacher aides as substitutes for full-time instructors. All of these individuals are trying to do their best, but where they are being asked to take the place of a teacher we are shortchanging our students.

High-poverty urban schools are most likely to suffer from unqualified teachers. Even when urban districts succeed in hiring qualified teachers, attrition rates during the first five years often reach 50 percent. Partly as a result of difficulties in recruiting and retaining teachers, Title I schools are hiring teacher aides at twice the rate of certified teachers, and an increasing number of aides are providing direct instruction without a teacher's supervision.

Our ESEA reauthorization proposal would begin to address these problems by ensuring that States adopt challenging competency examinations for all new teachers that would include assessments of subject-matter knowledge and teaching skills. We would also work to phase out the use of teacher aides as instructors in Title I schools, but at the same time encourage paraprofessionals to become certified teachers by supporting State and local efforts to build career ladders leading to certification. Our proposal will ensure that States make significant progress in reducing both the number of teachers with emergency certificates and the number of teachers teaching subjects for which they lack adequate preparation.

The issue of improving teacher quality is also of great importance to all of us who want to improve the education of children with disabilities. The ESEA is meant to serve all children and there are growing numbers of children with disabilities who have been successfully mainstreamed into regular classrooms. The ESEA and the Individuals with Disabilities Education Act can work together to make a real difference for many more of these children. The Teacher Quality report told us that the majority of our teachers do not feel as well-prepared as they should to teach children with disabilities. We want to work very hard to

make sure that all teachers have the skills and the tools they need to teach these children to high standards.

We made a good start in improving teacher quality last year when Congress passed—with strong bipartisan support—the new teacher recruitment and training programs in Title II of the reauthorized Higher Education Act. Our ESEA reauthorization plan would build on this success by providing resources to help States strengthen teacher-certification standards. It also will include—in the new Teacher Quality and High Standards in Every Classroom initiative—increased investment in the high-quality professional development that teachers tell us they need to help all students meet challenging new State standards.

TITLE I

I have described some of the key, crosscutting measures for getting high standards into all classrooms. Now I would like to outline some program-specific issues and recommendations, beginning with Title I, which is the largest Federal investment in elementary and secondary education. This \$7.7 billion program reaches more than 45,000 schools in over 13,000 school districts. With the expansion of schoolwide projects following the last reauthorization, the program now serves over 11 million students. In the 1996-97 school year, 36 percent of the children served were white, 30 percent were Hispanic, and 28 percent were African-American. Seventeen percent of the children served were limited English proficient.

Historically, Title I has been the single largest source of Federal funding targeted to raising the achievement levels of students in high-poverty schools and helping to close the achievement gap between these children and their more advantaged peers. The 1994 reauthorization focused on helping children in high poverty schools reach the same high standards expected of all students. In particular, States were required to develop content and performance standards in reading and math, with aligned assessments to measure student progress toward meeting the standards.

The 1994 Act also improved targeting of resources, expanded the schoolwide approach, and strengthened parental involvement. With regard to targeting, the GAO recently reported that Federal programs are much more targeted than State programs. On average, for every \$1 a State provided in education aid for each student in a district, the State provided an additional \$0.62 per poor student. In contrast, for every \$1 of Federal funding districts received for each student, they received an additional \$4.73 in Federal funding per poor student. We believe targeting works, and we recommend leaving in place the Title I allocation formula adopted by the Congress in 1994.

The 1994 Act expanded schoolwide programs by permitting schools with poor children making up at least 50 percent of their enrollment to use Title I funds in combination with other Federal, State, and local funds to upgrade the instructional program of the entire school. Since 1995, the number of schools implementing schoolwide programs has more than tripled, from about 5,000 to approximately 16,000. Our reauthorization proposal would maintain the 50-percent threshold for schoolwide programs.

Parents of Title I children are now more fully involved in their children's education through the use of parent compacts called for in the 1994 Act. I want to stress that getting parents involved in the process of school reform is often the spark that makes the difference. I have been a strong advocate of increased parental involvement in education for many years and there is a good reason for it. Parents are children's first teachers and they set the expectations that tell children how hard they should strive to achieve. Teachers tell us again and again that parents are too often the missing part of the education success equation.

If you look at the chart entitled "Making the Grade," you will see why we are placing such a strong emphasis on developing compacts between parents and schools for our Title I children (See Chart 5). Four years ago, we created the Partnership for Family Involvement in Education with 40 organizations. This Partnership has since grown to 4,700 organizations and it continues to grow quite rapidly. To give you one example of its activities, last month the Partnership sent out a detailed guide of best practices on how teachers can work better with parents.

Progress Since the 1994 Reauthorization

Current information on Title I indicates progress on several fronts. Title I has contributed to the rapid development of challenging State standards that apply to all students in Title I schools. Teachers in Title I schools are increasingly reporting that standards are helping to guide instruction. Moreover, preliminary data gathered for this reauthorization from States that have implemented the Title I standards and assessment provisions generally show increased achievement levels in high-poverty schools. For the 1997-98 school year, seven of the 10 States with standards and aligned assessments in place for two years report increasing percentages of students meeting proficient and advanced performance standards in schools with poverty rates of at least 50 percent. These State-level data are particularly encouraging since final assessments are not required to be in place until school year 2000-2001. This and other information, including data indicating that Title I is driving higher standards to poor districts and schools, will be discussed in greater detail in the Congressionally mandated National Assessment of Title I scheduled for release in late February.

Despite these initial signs of progress, I would be the first to admit that we are not anywhere near where we need to be in turning around the thousands of low-performing high-poverty schools that are served by Title I. This is why the President is so strong for improved teacher quality and increased accountability. We know that many States, districts, and schools are not making as much progress as we had hoped. However, we did not expect to turn around the long, sorry history of setting low expectations for our Nation's poorest children in just four years. I believe we are now on the right course in aligning Title I with the best efforts of State and local school systems. We simply need to stay the course in fitting all the pieces together to raise achievement levels.

Finally, in looking at the impact of Title I, we should keep in mind that despite its size and prominence at the Federal level, it represents about three percent of national spending on elementary and secondary education. Title I is effective only when it works in partnership with much larger State and local resources. Nevertheless, Title I can and should do more to

assist State and local efforts to raise the educational achievement level of poor and minority children, and this is what we are trying to achieve through our reauthorization proposals.

Proposed Changes to Title I

Building on what we have learned since 1994, our reauthorization proposal would continue to hold at-risk children in high-poverty schools to the same high standards expected of all children and to link Title I to State and local reforms based on high standards. We also would continue targeting resources to areas of greatest need, supporting flexibility at the local level to determine instructional practices, and encouraging more effective implementation of schoolwide programs.

Title I schools would, of course, be subject to the accountability provisions that we would apply to all ESEA programs. Specific improvements to Title I would include targeting additional resources to help the lowest achieving schools, phasing in a set-aside for professional development aligned to standards, and phasing out the use of teacher aides as instructors in Title I schools. We also would strengthen the schoolwide authority by borrowing some of the successful features of the Comprehensive School Reform Demonstration program, such as basing reforms on solid research about what works. And in response to a key recommendation of the reading study conducted by the National Academy of Sciences (NAS), we are proposing the use of diagnostic assessments in the first grade to ensure the early identification of children with reading difficulties.

Separately, we support the continuation of the Comprehensive School Reform Demonstration program, which we believe is generating some good models for improving the effectiveness of the broader Title I program and for strengthening both Title I and non-Title I schools.

The Department also is considering proposals to promote high quality professional development for early childhood educators and others to help children better develop language and literacy skills in the early years. The NAS's reading study presented strong evidence that children who receive enrichment services focused on language and cognitive development in early childhood show significantly higher reading achievement in the later elementary and middle school years. We believe that professional development based on recent research on child language and literacy development—including strategies that could be shared with parents—could make a significant contribution toward the goal of ensuring that every child can read well by the end of the third grade. Our proposal would target those children most at risk of experiencing difficulty in learning to read by working with early childhood educators in Head Start and Title I pre-K programs.

QUALITY TEACHERS AND HIGH STANDARDS IN EVERY CLASSROOM

While every State has developed high standards, States and districts now need significant support to continue the hard work of turning these high expectations into classroom realities. This is why we are proposing a new initiative called Quality Teachers and High Standards in Every Classroom. This initiative would help States and school districts continue the work of aligning instruction with State standards and assessments, while

focusing most resources on improving teacher quality through high-quality professional development. Our proposal would build on and succeed the current Goals 2000, Title II, and Title VI programs.

The National Commission on Teaching and America's Future found that the biggest impediment to improving teaching was the lack of access to the kinds of knowledge and skills teachers need to help students succeed. We know from the Commission's report that most school districts do not direct their professional development funds in a coherent way toward sustained, standards-based, practical, and useful learning opportunities for teachers. We need to provide teachers with opportunities to change instructional practices in order to ensure that all children are taught to high standards.

Just as we have real concerns about improving teacher quality, we need to recognize the growing shortage of qualified principals. I was struck by a statistic in a recent article in *The Washington Post*, which indicated that about 50 percent of all schools face a shortage of qualified principal candidates. That is a very heavy statistic.

Unfortunately, we have not done enough to support the professional growth of teachers and principals. Currently, most school districts spend less than three percent of their budgets on professional development, while our best private companies spend as much as 10 percent to ensure that their employees have quality training and keep current in their work. If we expect the best from our students, we need to ensure that we are giving our teachers the best support possible. And, we know it works. In New York City's District 2, former Superintendent Tony Alvarado made major investments in professional development—investments that paid off in marked improvement in student achievement.

The 1994 reauthorization included a greater focus on research-based principles of professional development in the Eisenhower Professional Development program. Despite this emphasis, recent evaluations of the Eisenhower professional development program found that most districts did not receive enough funding to support the kind of on-going, intensive professional development that works best to improve teaching skills.

As we move into the next phase of getting high standards into schools and classrooms, we must give States and districts the flexibility they need to strengthen their local efforts to implement standards and to improve teacher quality. States could use these funds to continue the development of standards and assessments and provide leadership to districts working to align instruction with these standards and assessments and to improve professional development for teachers. School districts would use their funds to implement standards in schools and to invest in professional development in core subject areas, with a priority on science and mathematics.

States and districts would also be able to use these funds to meet new ESEA teacher quality requirements related to the implementation and improvement of competency-based assessments for initial licensure, the reduction of the number of teachers on emergency credentials, and the reduction of the number of teachers teaching out of field.

Funds would be used to advance teacher understanding and use of best instructional practices in one or more of the core academic content areas, with a primary focus on math and

science. The initiative also is designed to complement the strong emphasis on professional development throughout our ESEA reauthorization proposal, including Title I, the Reading Excellence Act, and Title VII.

We would support activities to assist new teachers during their first three years in classroom, including additional time for course preparation and lesson planning, mentoring and coaching by trained mentor teachers, observing and consulting with veteran teachers, and team-teaching with veteran teachers.

Veteran teachers would be encouraged to participate in collaborative professional development based on the standards developed by the National Board for Professional Teaching Standards. The initiative also would support district-wide professional development plans designed to help students meet State academic standards, the integration of educational technology into classroom practice, and efforts to develop the next generation of principals.

SAFE, DISCIPLINED, AND DRUG-FREE SCHOOLS

The Administration's plans for reauthorizing the Safe and Drug-Free Schools and Communities Act have actually taken shape over the past few years in our annual budget requests. These proposals have been designed to strengthen the program by improving accountability and by targeting funds to local educational agencies with (1) significant drug and violence prevention problems and (2) high-quality, research-based programs to address those problems.

Our reauthorization proposal would build on these earlier efforts by emphasizing a schoolwide approach to drug and violence prevention. All school districts receiving funds would be required to develop a comprehensive Safe and Drug-Free Schools plan to ensure that they have a drug-free, safe, and disciplined learning environment. These plans would include fair and effective discipline policies, safe passages to and from schools, effective research-based drug and violence prevention policies, and links to after-school programs. These plans would also have to reflect the "principles of effectiveness" that the Department recently established, which include the adoption of research-based strategies, setting measurable goals and objectives for drug and violence prevention, and regular evaluation of progress toward these goals and objectives.

Program funds would be distributed in larger, more effective grants, because our proposal would require States to award competitive grants to a limited number of high-need districts. Program evaluations have consistently found that the current practice of allocating funds by formula to all districts spreads funds too thinly to have a significant impact in most districts. For example, about three-fifths of districts currently receive grants of less than \$10,000, with the average grant providing only about \$5 per student.

Our reauthorization plan also would continue the Safe Schools/Healthy Students program, an interagency initiative that provides competitive grants to help school districts and communities to develop and implement comprehensive, community-wide strategies for creating safe and drug-free schools and for promoting healthy childhood development. Similarly, the Safe and Drug-Free Schools Coordinator Initiative would be continued under our proposal.

We also will propose to authorize the Department to provide emergency services—especially mental health and counseling services—to schools affected by the kind of violence or severe trauma we saw last year in Arkansas, Kentucky, Mississippi, Oregon, and Pennsylvania. This is the \$12 million Project SERV (School Emergency Response to Violence) initiative included in the President's 2000 budget request. Our reauthorization plan also would set aside a small amount of funding at the State level to support similar emergency response activities.

EDUCATIONAL TECHNOLOGY

Since the creation of Title III in the last ESEA reauthorization, the Federal government has helped States and school districts make significant progress in bringing technology into the classroom and making sure that teachers are prepared to effectively integrate technology throughout the curriculum.

With the support of Congress, the Department has delivered over \$1 billion to States through the Technology Literacy Challenge Fund. This investment is helping to increase the number of classrooms connected to the Internet—just 27 percent in 1997—and has helped decrease the student-computer ratio from 38 students per multimedia computer to 13 students per multimedia computer.

By early March, \$1.9 billion dollars in E-Rate discounts will be provided to the Nation's schools and libraries. This means that over the summer, the number of poor schools that are connected to the Internet will rise dramatically. These discounts will also provide affordable access to advanced telecommunications and ensure that all of our schools are active participants in the technological revolution.

To reduce the "digital divide" that could widen the achievement gap between disadvantaged students and their wealthier peers, we propose to strengthen the targeting provisions of the Technology Literacy Challenge Fund. Just 63 percent of high-poverty schools had connections to the Internet in 1998, compared to 88 percent of low-poverty schools. The disparity is even greater at the classroom level, with only 14 percent of classrooms connected to the Internet in high-poverty schools, compared to 34 percent of classrooms in low-poverty schools.

Federal dollars are helping to narrow this digital divide. High-poverty schools received over two-and-one-half times more new computers than their low-poverty counterparts in recent years. We will make a special effort to address the needs of rural America, where technologies like distance learning can make a real difference, and to coordinate ESEA technology programs with the Individuals with Disabilities Education Act Technology Development Program, which expands access to innovations in technology to students with disabilities.

Helping teachers integrate technology into their daily lesson plans will be another special focus. Currently, only 20 percent of our teachers feel qualified to integrate technology throughout the curriculum. The reauthorization proposal for Title III will focus on supporting

State and local efforts to improve teacher quality, with a priority for developing partnerships between local school districts, institutes of higher education, and other entities.

We also want to strengthen our evaluation efforts to find proven and promising models of how technology is improving achievement that we can bring to scale.

SUPPORTING STUDENTS WITH LIMITED ENGLISH PROFICIENCY

Students with limited English proficiency (LEP) are the fastest growing population served by the Elementary and Secondary Education Act. According to State educational agency data, the number of LEP students grew 67 percent between the 1990-91 and 1996-97 academic years.

Growing numbers of LEP students are in States and communities that have little prior experience in serving them. For example, between the 1992-93 and 1996-97 school years, the LEP population more than doubled in Alabama, Alaska, Florida, Idaho, Nebraska, Nevada, North Carolina, Oregon, South Carolina, and Tennessee.

The President's goal is to hold schools accountable for ensuring that LEP students can speak and read English after three consecutive years in our schools. We are equally committed to ensuring that LEP students reach challenging academic standards in all content areas. We also want to assure that States and school districts have the flexibility they need to provide the most appropriate instruction for each child.

I told you earlier that we cannot afford to waste the talents of one child. One of America's greatest strengths has always been her diversity of peoples. Today, immigrants and their children are revitalizing our cities, energizing our culture, and building up our economy. We have a responsibility to make them welcome here and to help them to enter the mainstream of American life.

Our reauthorization proposal for the Title VII bilingual education provisions seeks to achieve these goals by emphasizing the same two key strategies we are pursuing throughout the ESEA: improving teacher quality and strengthening accountability.

To increase teacher quality, for example, all institutions of higher education applying for Title VII grants would be required to show that their teacher education programs include preparation for all teachers serving LEP students.

To strengthen accountability, we would require both Title VII grantees and Title I schools to annually assess the progress of LEP students in attaining English proficiency. These assessments will be used to inform parents of their children's progress and to help schools improve instruction.

LEP students who have been in U.S. schools for less than three years would continue to be included in the Title I assessment system, but after three years reading assessments would be conducted in English. Schools and districts would be held responsible, as part of the larger ESEA accountability provisions, for ensuring that LEP students reach the three-year English language proficiency goal.

I also believe that America's children need to become much more fluent in other languages. We are very far behind other nations when it comes to giving our students a mastery of other languages. There are teenagers in Europe who can easily speak three languages. I am certain we can do a much better job at giving our students both a mastery of English and fluency in at least one foreign language. There are currently over 200 two-way bilingual education programs that teach English and a foreign language and allow all students to truly develop proficiency in both languages.

EXCELLENCE AND OPPORTUNITY IN PUBLIC EDUCATION

As I travel around the country visiting schools, I continue to see the spark of innovation and creativity in many public schools. Public education is changing quite rapidly at the ground level and offering parents many more options in the terms of the type of schools their children can attend and the courses they can take.

This Administration is a strong advocate of public school choice as a way to encourage and stimulate the creative efforts of school districts to give parents the opportunity to find a school that best fits the needs of their children. Some discussions about choice suggest that there is choice only outside of public education. Well, that is an assumption that I want to challenge because it really has no basis in fact.

You can go to school district after school district and find schools-within-schools, magnet schools, school-to-work initiatives, high schools collaborating with local colleges, and option and theme schools that focus in on specialized fields like the environment, the visual and performing arts, communications and technology, back-to-basics, classical studies, marine science, accelerated learning, the international baccalaureate, and career-related areas like finance and medical sciences.

There is a great deal of variety in public education at the local level, from alternative schools to community-based learning efforts, to schools-without-walls, to public schools that focus in on the core knowledge approach to education. There are public school districts like Seattle that have a completely open choice model and many other school districts that offer intra-district choice, inter-district choice, and controlled choice. Critics of public education would do well to recognize that many public school districts are far more in touch with parents than they think and are giving parents the choices they seek.

I want to stress that one of the most important choices that parents can make about a child's education is the choice of subjects and not schools. We have a growing body of research showing that courses students choose in middle and high school are powerful predictors of success—from mastery of high-level math to gaining entrance to top colleges and universities. The best schools in America—whether they are public, private or parochial—all share something in common: they place a strong emphasis on a rigorous and engaging academic program. This is what makes these schools distinctive, and it is what makes them work.

That is why President Clinton has spent six years advocating the idea that by raising standards, exciting families about their children's education, and putting quality teachers into

every classroom, we can raise achievement for many, many more of our students—and indeed, someday soon, hopefully all of our students. That is the best public policy for us to support. Private school voucher programs affect only a small number of students, divert us from our goal of high standards for all children, and take scarce resources from the public schools that serve around 90 percent of America's children.

While the Clinton Administration strongly opposes efforts to divert public funds to private schools through vouchers or similar proposals, we want to encourage the development of new choices within the public school system. This is why we worked very closely with Congress to reauthorize the Charter School legislation that fosters creativity with accountability.

This year we are proposing a new choice authority that would help us identify and support new approaches to public school choice, such as interdistrict magnet schools and worksite schools, and promote a new, broader version of choice that works within all public schools.

We are interested in promoting public school choice programs in which the schools and programs are public and accountable for results, are genuinely open and accessible to all students, and promote high standards for all students. There are many successful public schools that can provide models for improving low-performing schools, and one of our goals must be to find ways to help States and local school districts to replicate these successful models by leveraging "what works" for our children's education.

MODERNIZING SCHOOLS FOR THE 21ST CENTURY

An additional priority for the Administration is to help communities build and renovate the school buildings they will need to help all students reach challenging standards. The General Accounting Office has reported that States and school districts face over \$112 billion in repairs to existing schools. In addition, many schools face severe overcrowding as a result of the "baby boom echo."

The Administration is proposing \$25 billion in authority for interest-free bonds to finance the construction or renovation of up to 6,000 schools. This proposal will be included as part of the President's tax legislation. In addition, through the reauthorized ESEA, we would make grants to involve citizens in designing schools that reflect the needs of the entire community. The President's 2000 budget would provide \$10 million for these grants under the Fund for the Improvement of Education.

CONCLUSION

These are just the highlights of a comprehensive reauthorization proposal that will span a dozen or so titles affecting nearly every area of Federal support for the Nation's elementary and secondary schools. I encourage you to give careful consideration to our full proposal when it is completed next month, and I look forward to discussing the specific details of our plan as your work on your legislation.

The framework for all of our thinking is the clear recognition that the days of “dumbing down” American education are over. We want to “achieve up” and raise expectations for all of our young people. As I have said so many times before, our children are smarter than we think. We can and surely will debate the merits of the policy ideas that we are putting forward today and that is healthy. Let us find common ground, however, around the idea that we have both a moral and social obligation to give the poorest of our young people the help they need to get a leg-up in life and be part of the American success story.

As I travel around the country visiting schools, I really do get a sense that things are happening, that a very strong consensus has developed about what needs to be done to improve our schools. All the elements are coming together: a new emphasis on early childhood, better reading skills, high expectations for all of our young people, and accountability for results. We are moving in the right direction and we need to stay the course to get results and always remember that “the victory is in the classroom.”

In conclusion, I want assure you that the Administration is prepared to work with the Congress to help and support local and State educators and leaders who are striving to raise achievement levels. I hope that in the process, a new bipartisan spirit can evolve around education issues. The last few years have been somewhat contentious here in Washington, and we need to give a better account of ourselves to the American people.

I will be happy to take any questions you may have.

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Good morning Mr. Chairman and Members of the Committee.

I appreciate this opportunity to present the Administration's views on the upcoming reauthorization of the Elementary and Secondary Education Act (ESEA) of 1965. The Administration is working on a detailed reauthorization proposal that we plan to submit for your consideration next month. The Department will also soon submit to Congress several reports evaluating the implementation and impact of Title I, other ESEA programs, and Goals 2000. Today I will provide an overview of our reauthorization efforts, as well as some of our specific recommendations. If there is one overriding principle that defines what we hope to accomplish, it is to end the tyranny of low expectations and raise achievement levels for all of our young people.

Let me begin by urging the Committee to develop a single, comprehensive bill reauthorizing the Elementary and Secondary Education Act. Some have suggested a title-by-title approach that could lead to several separate bills. This concerns me, because we have worked very hard with the Congress in recent years to develop a comprehensive approach to Federal support for education reform. If our efforts are to be successful, it is very important for all the pieces to fit together, complementing and reinforcing each other to help States, school districts, and schools to make the changes needed to raise achievement for all students. This is why the Administration is developing a single, integrated reauthorization proposal, and I hope you will do the same.

I also want to point out that with the nearly simultaneous reauthorization of the Department's Office of Educational Research and Improvement, we have a unique opportunity to develop a comprehensive agenda for independent research to support improved practices and instruction in elementary and secondary education. We should make every effort to develop research-based solutions to the many challenges we face in elementary and secondary education, and to get the best information on what works into the hands of parents, teachers, principals, and superintendents across the Nation.

BACKGROUND AND ACCOMPLISHMENTS

This is, of course, this Administration's second opportunity to work with Congress on improving the ESEA. The 1994 reauthorization—the Improving America's Schools Act—took direct aim at transforming a Federal role that for too long had condoned low expectations and low standards for poor children. Along with the Goals 2000: Educate America Act, the 1994 reauthorization reflected a bipartisan effort to raise expectations for all children by helping States and school districts to set high standards and establish goals for improving student achievement. The 1994 Act included provisions to improve teaching and learning, increase flexibility and accountability for States and local school districts, strengthen parent and community involvement, and target resources to the highest poverty schools and communities.

There is strong evidence that these changes, particularly the emphasis on high standards, have helped States and school districts carry out the hard work of real education reform. States that led the way in adopting standards-based reforms—like Kentucky, Maryland, North Carolina, and Oregon—found new support from Federal programs that helped them to raise reading and math achievement. In other States, the new ESEA and Goals

2000 encouraged and supported improvements in teaching and learning tied to high standards. For example, in a very positive report on Goals 2000 by the General Accounting Office (GAO), we were most pleased that State officials described Goals 2000 as “a significant factor in promoting their education reform efforts” and a “catalyst” for change.

Signs of Progress

Partly as a result of changes at the Federal level and our new partnerships with the States, 48 States, the District of Columbia, and Puerto Rico have developed state-level standards and two States have pushed for standards at the local level. More importantly, there are promising signs of real progress toward meeting these higher standards in the classroom. The National Assessment of Educational Progress (NAEP), for example, has shown significant increases in math scores at the 4th, 8th, and 12th grades (See Chart 1). The National Education Goals Panel reported that between 1990 and 1996, 27 States significantly increased the percentage of 8th graders scoring at either the proficient or the advanced level on the NAEP math test (See Chart 2).

Tomorrow the National Center for Education Statistics will release its national report card on reading, and I understand we will see some improvement. Making sure that every child can read well and independently by the end of the third grade is a key benchmark of whether or not American education is improving. This has been a very high priority for the Administration and over the past few years a strong, bipartisan consensus has emerged on the importance of helping all children master this key prerequisite for all further learning. Title I provides substantial resources to improve reading instruction, and last year, Congress on a bipartisan basis passed the Reading Excellence Act to strengthen State and local efforts to improve reading in the early grades. We also now have some 20,000 College Work-Study students serving as reading tutors.

“Leading-Edge” States

Turning from the national to the State level, individual States have made notable progress in a very short period of time (See Chart 3). North Carolina, for example, more than doubled the percentage of its 8th graders scoring at the proficient or advanced levels on the NAEP math test, from 9 percent in 1990 to 20 percent in 1996. In Texas, the percentage of 4th grade students reaching the NAEP proficient or advanced levels rose from 15 percent in 1992 to 25 percent in 1996.

The National Education Goals Panel issued a report authored by the RAND Corporation that examined experience of these two States. This report found that the “most plausible explanation” for the test-score gains was an “organizational environment and incentive structure” based on standards-based reform, defined as “an aligned system of standards, curriculum, and assessments; holding schools accountable for improvement by all students; and critical support from business.” This report also goes on to tell us that the willingness of political leaders to stay the course and continue the reform agenda, despite “changes of Governors and among legislators,” is another key element that has defined the success of these two leading States.

Many states are not yet implementing proven practices that are working in some of this Nation's "leading-edge" States. According to recent special report on accountability in *Education Week*, 36 states issue school report cards, 14 do not, and fewer than half of the parents in States that do issue report cards are aware of their existence. The report also tells us that only 19 States provide assistance to low performing schools, and only 16 States have the authority to reconstitute or close down failing schools. Only about half the States require students to demonstrate that they have met standards in order to graduate, and too many still promote students who are unprepared from grade to grade. So we have work to do.

New Flexibility at the Federal Level

The 1994 reauthorization also brought real change to the way we do business at the Department of Education. We made a very determined effort to give States and school districts greater flexibility to make innovations that help all students reach high standards. Our regulatory reform effort, for example, systematically examined every Department regulation and set very specific criteria for regulating only when absolutely necessary. The Office of Management and Budget has supported this approach, and other Federal agencies have since adopted it as a model. Under our new regulatory criteria, we found that we needed to issue regulations for only five of the programs included in the 1994 ESEA reauthorization; thus we eliminated a full two-thirds of the regulations previously covering the Elementary and Secondary Education Act.

Another major improvement was to give States the option of submitting a single, consolidated State application, instead of separate applications, for the majority of ESEA programs. Not surprisingly, every State but one has adopted this approach, which both reduces paperwork and encourages a comprehensive approach to planning for the use of Federal funds. Moreover, States now submit their single plan just once during the life of the authorization cycle, with brief yearly updates to ensure accountability. States reported in fiscal year 1996 that the consolidated application slashed paperwork requirements by 85 percent.

In addition, the Department has vigorously implemented the waiver provisions included in the 1994 reauthorization, which permit States, school districts, and schools to request waivers of statutory and regulatory requirements that present an obstacle to innovative reform efforts if there are adequate accountability safeguards in place. Our efforts included a Waiver Hot Line as well as comprehensive waiver guidance at our site on the World Wide Web.

Since the reauthorization of ESEA in 1994, the Department has received 648 requests for waivers from States and local districts and granted a total of 357 waivers. Overall, the Department has approved 55 percent and disapproved 8 percent of all waivers requested. Of the remainder, 28 percent were withdrawn largely because districts learned that they had sufficient latitude or flexibility under existing law to proceed without a waiver, demonstrating that the ESEA is more flexible than many people thought even without the waiver authority.

ED-Flex

Another approach to flexibility is the ED-Flex demonstration program, which allows the Department to give States with strong accountability mechanisms the authority to approve waivers of certain Federal statutory and regulatory requirements that stand in the way of effective reform at the local level. Congress has authorized up to 12 States to participate in ED-Flex.

We are proposing to expand ED-Flex to allow all eligible States to participate. I believe such an expansion should be considered, not as a free-standing bill, but in the context of reauthorization, our emphasis on accountability for results, and other programmatic issues. ED-Flex can be an important tool for accelerating the pace of real reform in our schools, but it must be done thoughtfully. ED-Flex cannot be used to get around established civil-rights protections.

Federal Education Dollars to the Local Level

One final issue I want to touch on is the Department's performance in getting Federal education dollars to the local level, where they can do the most good. There have been a number of "dollars to the classroom" proposals over the past two years based on the assumption that the Department of Education retains a significant portion of Federal elementary and secondary appropriations to pay for administrative costs.

The truth is that over 95 percent of all the dollars appropriated by Congress for ESEA programs already go to local school districts. Almost all of the rest goes to States to provide technical assistance, to support the use of standards and assessments, and to provide oversight. If the "95 percent" figure sounds familiar, it is because some of those proposals I mentioned promise to send 95 percent of Federal dollars to the classroom.

I recognize that some may argue about whether the "local level" is the same as "the classroom." My view is that once the funds reach the local level, it is up to local elected school boards to decide how best to spend them to achieve the purposes of the programs enacted by the Congress. We in Washington should not attempt to bypass local school boards and deny them their lawful responsibility to determine how to meet the educational needs of their students.

I believe that these accomplishments—widespread adoption of challenging standards, promising achievement gains nationally and even more improvement in "leading-edge" States, and new flexibility for States and school districts—show that we were on the right track in 1994. The evidence demonstrates a clear connection between raising standards and raising student achievement. The record also shows, however, that many States and districts are still phasing in the 1994 reforms. Taken as a whole, this experience provides a compelling argument for the Administration and Congress to keep working together to help States and school districts get high standards into the classroom, and to push for improved incentives and strengthened accountability mechanisms to ensure that these reforms take hold.

THE NEXT STAGE: RAISING ACHIEVEMENT IN OUR SCHOOLS AND CLASSROOMS

Let me lay out for you the broader context for our ESEA reauthorization proposals. In 1994, we broke sharply with the past and made a significant policy shift in putting an end to the practice of giving students a watered-down curriculum. I strongly believe that the tyranny of low expectations—and it is tyranny—has been one of the great flaws of American education. We vigorously oppose the idea of “dumbing down” American education. Instead of “dumbing down,” we want to “achieve up.”

To support this effort we have developed a comprehensive, three-part strategy of (1) targeting investments to disadvantaged children, with particular attention to the early years of schooling; (2) improving teacher quality, and (3) real accountability. All these pieces need to fit together if we want to raise achievement levels.

First, our investments in the Title I, the Class-Size Reduction program, the Reading Excellence Act, education technology, and after-school programs—to name just a few—are all part of our effort to get communities and their teachers and principals the resources they need to raise achievement for all students. We have put a real emphasis on the early years of schooling because research and common sense tells you that if a young person can “master the basics” early, they get off to a much better start in their education.

We want to improve academic achievement for all students, with a special emphasis on closing the gap upward between poor and minority students and other students. This is why, for example, we are such strong supporters of reducing class size in the early grades. Research from the Tennessee STAR study demonstrated that reducing class sizes in the early grades led to higher achievement for all students, with poor and minority students showing the greatest gains.

Second, we think it is absolutely essential to put a highly qualified, dedicated teacher in every classroom in America. John Stanford, the inspiring former superintendent from Seattle who recently passed away, had this marvelous slogan that summed up his philosophy: “the victory is in the classroom.” If we are going to achieve many more victories in the classroom, we simply have to raise teacher quality and get many more certified teachers into our Title I schools. This is why we asked the Congress to fund a strong teacher quality initiative in reauthorizing the Higher Education Act last year. Our intent here is to make high standards part of every teacher’s daily lesson plans. I will discuss this part of our proposal in greater detail later on in my testimony.

Strengthening Accountability

Stronger accountability is the third part of our broad strategy of improvement. We believe that effective accountability measures—what business leaders call quality control measures—can make sure that our investments are used wisely and actually produce the desired results.

Much of our thinking about accountability has been informed by successful accountability initiatives at the local and State levels. The most thoughtful education leaders

at the State and local level are doing what we are proposing: they are ending social promotion, requiring school report cards, identifying low performing schools, improving discipline in schools and classrooms, and putting in place measurable ways to make change happen, such as basic skills exams at different grade levels. They are striking a careful balance between giving schools the increased support and flexibility they need to raise achievement levels and, at the same time, holding schools accountable when they do not measure up to clearly established goals. We are trying to strike that same balance in our reauthorization proposals.

Our emphasis on accountability in ESEA, and in particular in Title I, seeks to build on, support, and encourage these growing State and local efforts to pick up the pace of standards-based reform. Here it is important to recognize that we are not talking about more regulations. We want better results. There is both a moral and a fiscal dimension to being more accountable. We cannot afford to lose the talents of one child, and we cannot waste the substantial resources entrusted to us by American taxpayers.

The “either or” thinking that has dominated the public debate to date about our accountability proposals—more Federal control versus less local control—really misses the point entirely about what we seek to achieve. If a State is putting its own accountability measures into place, we are not demanding that they replace their measures with our measures. If a State does not have such requirements in place, then it makes a good deal of sense for them to adopt our proposals. We expect States to do this because it is good education policy and the right thing to do for the children.

Our approach to increased accountability is one of graduated response, a range of options—some positive and others more prescriptive—that can help break the mold and get low-performing schools moving in a more positive direction. On the positive side of the continuum, you give school districts the flexibility they need if you see that they are making progress. If a school or a school district simply isn’t making things happen, we want to shake things up and work with State and local officials to find out why. The local school district, for example, may not be giving teachers the real professional development time they need.

If a school district is refusing to change, we are prepared, for example, to be much more specific about how it uses ESEA funding. We do not intend to be passive in the face of failure. We will help, nudge, prod, and demand action. And, if we have to, we are prepared to restrict or withhold ESEA funding.

We recognize that a complete accountability system should be multi-dimensional and include high expectations and accountability for everyone in the system. All of us are responsible for ensuring that all students reach high standards. The accountability measures in our reauthorization proposal will be designed to (1) help school districts and states provide students with a high-quality education, (2) focus on continuous improvement, and (3) hold students, teachers, principals, schools, and districts to high standards.

It is important to note that our proposed accountability measures reinforce and build on similar provisions enacted in 1994. For example, the underlying structure of the Title I accountability provisions is sound, and a minority of States are hard at work emphasizing continuous improvement and holding schools and principals accountable for results. Many

States, however, have not fully implemented the Title I provisions and have moved only tentatively to make other changes based on high standards and accountability.

We seek to speed up and strengthen the process by requiring States to take immediate action to turn around low-performing schools, to give parents annual report cards, to end social promotion, to improve teacher quality, and to have well-thought-out discipline policies in place that make a difference.

Meeting State Standards

First, we would retain the current Title I requirement that States establish assessments aligned with State content and performance standards by the 2000-2001 school year. States must also define adequate yearly progress for Title I schools and local school districts in a manner that would result in continuous progress toward meeting State standards within a reasonable time frame.

Turning Around the Lowest Performing Schools

Second, States should take immediate corrective action to turn around the lowest performing schools. Currently, there are over 6,500 schools and 1,300 school districts designated under Title I as needing improvement. These schools and districts were placed in school-improvement status after making little or no improvement over a period of two years. Many of these schools are still showing no improvement despite receiving additional support. We are saying our children have spent enough time in low-performing schools—it is time to take action now.

States should quickly identify the lowest performing schools that are failing to show improvement and provide additional support and assistance. If any school continues to show no improvement, States should take bold action such as reconstituting the school or closing the school down entirely and reopening it as a fresh new school. The Department's 2000 budget request includes a \$200 million set-aside in Title I to help jumpstart this process of State and district intervention in the lowest performing schools.

Annual Report Cards

Third, annual report cards at the State, district, and school levels should be a requirement for receiving ESEA funds. The report cards should provide invaluable information on improvement over time or the lack thereof. They should include information on student achievement, teacher quality, class size, school safety, attendance, and graduation requirements. Where appropriate, the student achievement data should be disaggregated by demographic subgroups to allow a greater focus on the gaps between disadvantaged students and other students.

For report cards to make sense they need to be easily understood by and widely distributed to parents and the public. As I indicated earlier, while 36 States already require report cards, many parents and teachers from these States say that they have never seen them. Our proposal is intended to give parents a tool they can use to join the debate over bringing

high standards into the classroom, to advocate on behalf of their children and their children's schools, and to work with teachers and principals to make improvements.

I assure you, if parents find out that their children are going to an unruly or unsafe school, there will be standing-room only at the next school board meeting and that can be a very good thing. If parents discover that test scores are down at their school but up at a nearby school, they will start asking questions and spark reform. In short, a good, honest report card gives parents a real accountability tool that allows them to make a difference in the education of their children.

Separately, we have proposed an additional test that can help parents determine if their children are measuring up: the voluntary national tests in 4th grade reading and 8th grade math. The independent, bipartisan National Assessment Governing Board (NAGB) is developing a plan for this test, in accordance with language in the Fiscal Year 1999 Appropriations Act. I ask the Committee to join me in looking carefully at this plan when NAGB announces it later in the spring.

Ending Social Promotion

Fourth, all States receiving ESEA funds should end the practice of social promotion. I want to be clear that in calling for an end to social promotion we are not encouraging school districts to retain students in grade, instead we are asking school districts to prepare children to high standards. That is why we have pushed so hard for programs like Class Size Reduction, the Reading Excellence Act, and the 21st Century Community Learning Centers after-school initiative, which invest in the early years and help to minimize the number of children at risk of retention in grade.

Research indicates that from 10 to 15 percent of young adults who graduate from high school and have not gone further—up to 340,000 students each year—cannot balance a checkbook or write a letter to a credit card company to explain an error on a bill. In addition, about 450,000 to 500,000 young people drop out of high school between the 10th and 12th grades. These are the young people who are hurt by current practices. We need to make sure these students are given the support they need to succeed.

The President's call for an end to social promotion is designed to tell students that "performance counts," and to encourage districts and schools to take aggressive action to help all students meet promotion standards on time. States should target their efforts at key transition points, such as 4th, 8th, and 10th grades, and should use multiple measures, such as valid assessments and teacher evaluations, to determine if students have met the high standards required for promotion to the next grade. States would develop their own specific approaches to match their unique circumstances.

Strategies to end social promotion include early identification and intervention for students who need additional help—including appropriate accommodations and supports for students with disabilities. After-school and summer-school programs, for example, can provide extended learning time for students who need extra help to keep them from having to repeat an entire grade.

Ensuring Teacher Quality

Fifth, States must do more to ensure teacher quality. States receiving ESEA funds should adopt challenging competency tests for new teachers, phase out the use of uncertified teachers, and teachers who are teaching out-of-field. Less than two weeks ago, we released our first biannual report on Teacher Quality. In developing this report, we are making a statement that we are going to keep coming back to the issue of teacher quality again and again. The report told us that less than half of America's teachers feel very well-prepared to teach in the modern classroom. Teachers cited four areas of concern: using technology, teaching children from diverse cultures, teaching children with disabilities, and helping limited English proficient (LEP) students (See Chart 4). This study really is a cry for help and we need to respond.

I know the Members of this Committee share our concern about teacher quality, and we want to work with you to address that concern. Research shows that qualified teachers are the most important in-school factor in improving student achievement, yet more than 30 percent of newly hired teachers are entering the teaching profession without full certification, and over 11 percent enter the field with no license at all.

Our ability to raise academic standards also is hindered by teachers teaching "out of field." Overall, nearly 28 percent of teachers have neither an undergraduate major nor minor in their main assignment fields. Another significant concern is the practice of using teacher aides as substitutes for full-time instructors. All of these individuals are trying to do their best, but where they are being asked to take the place of a teacher we are shortchanging our students.

High-poverty urban schools are most likely to suffer from unqualified teachers. Even when urban districts succeed in hiring qualified teachers, attrition rates during the first five years often reach 50 percent. Partly as a result of difficulties in recruiting and retaining teachers, Title I schools are hiring teacher aides at twice the rate of certified teachers, and an increasing number of aides are providing direct instruction without a teacher's supervision.

Our ESEA reauthorization proposal would begin to address these problems by ensuring that States adopt challenging competency examinations for all new teachers that would include assessments of subject-matter knowledge and teaching skills. We would also work to phase out the use of teacher aides as instructors in Title I schools, but at the same time encourage paraprofessionals to become certified teachers by supporting State and local efforts to build career ladders leading to certification. Our proposal will ensure that States make significant progress in reducing both the number of teachers with emergency certificates and the number of teachers teaching subjects for which they lack adequate preparation.

The issue of improving teacher quality is also of great importance to all of us who want to improve the education of children with disabilities. The ESEA is meant to serve all children and there are growing numbers of children with disabilities who have been successfully mainstreamed into regular classrooms. The ESEA and the Individuals with Disabilities Education Act can work together to make a real difference for many more of these children. The Teacher Quality report told us that the majority of our teachers do not feel as well-prepared as they should to teach children with disabilities. We want to work very hard to

make sure that all teachers have the skills and the tools they need to teach these children to high standards.

We made a good start in improving teacher quality last year when Congress passed—with strong bipartisan support—the new teacher recruitment and training programs in Title II of the reauthorized Higher Education Act. Our ESEA reauthorization plan would build on this success by providing resources to help States strengthen teacher-certification standards. It also will include—in the new Teacher Quality and High Standards in Every Classroom initiative—increased investment in the high-quality professional development that teachers tell us they need to help all students meet challenging new State standards.

TITLE I

I have described some of the key, crosscutting measures for getting high standards into all classrooms. Now I would like to outline some program-specific issues and recommendations, beginning with Title I, which is the largest Federal investment in elementary and secondary education. This \$7.7 billion program reaches more than 45,000 schools in over 13,000 school districts. With the expansion of schoolwide projects following the last reauthorization, the program now serves over 11 million students. In the 1996-97 school year, 36 percent of the children served were white, 30 percent were Hispanic, and 28 percent were African-American. Seventeen percent of the children served were limited English proficient.

Historically, Title I has been the single largest source of Federal funding targeted to raising the achievement levels of students in high-poverty schools and helping to close the achievement gap between these children and their more advantaged peers. The 1994 reauthorization focused on helping children in high poverty schools reach the same high standards expected of all students. In particular, States were required to develop content and performance standards in reading and math, with aligned assessments to measure student progress toward meeting the standards.

The 1994 Act also improved targeting of resources, expanded the schoolwide approach, and strengthened parental involvement. With regard to targeting, the GAO recently reported that Federal programs are much more targeted than State programs. On average, for every \$1 a State provided in education aid for each student in a district, the State provided an additional \$0.62 per poor student. In contrast, for every \$1 of Federal funding districts received for each student, they received an additional \$4.73 in Federal funding per poor student. We believe targeting works, and we recommend leaving in place the Title I allocation formula adopted by the Congress in 1994.

The 1994 Act expanded schoolwide programs by permitting schools with poor children making up at least 50 percent of their enrollment to use Title I funds in combination with other Federal, State, and local funds to upgrade the instructional program of the entire school. Since 1995, the number of schools implementing schoolwide programs has more than tripled, from about 5,000 to approximately 16,000. Our reauthorization proposal would maintain the 50-percent threshold for schoolwide programs.

Parents of Title I children are now more fully involved in their children's education through the use of parent compacts called for in the 1994 Act. I want to stress that getting parents involved in the process of school reform is often the spark that makes the difference. I have been a strong advocate of increased parental involvement in education for many years and there is a good reason for it. Parents are children's first teachers and they set the expectations that tell children how hard they should strive to achieve. Teachers tell us again and again that parents are too often the missing part of the education success equation.

If you look at the chart entitled "Making the Grade," you will see why we are placing such a strong emphasis on developing compacts between parents and schools for our Title I children (See Chart 5). Four years ago, we created the Partnership for Family Involvement in Education with 40 organizations. This Partnership has since grown to 4,700 organizations and it continues to grow quite rapidly. To give you one example of its activities, last month the Partnership sent out a detailed guide of best practices on how teachers can work better with parents.

Progress Since the 1994 Reauthorization

Current information on Title I indicates progress on several fronts. Title I has contributed to the rapid development of challenging State standards that apply to all students in Title I schools. Teachers in Title I schools are increasingly reporting that standards are helping to guide instruction. Moreover, preliminary data gathered for this reauthorization from States that have implemented the Title I standards and assessment provisions generally show increased achievement levels in high-poverty schools. For the 1997-98 school year, seven of the 10 States with standards and aligned assessments in place for two years report increasing percentages of students meeting proficient and advanced performance standards in schools with poverty rates of at least 50 percent. These State-level data are particularly encouraging since final assessments are not required to be in place until school year 2000-2001. This and other information, including data indicating that Title I is driving higher standards to poor districts and schools, will be discussed in greater detail in the Congressionally mandated National Assessment of Title I scheduled for release in late February.

Despite these initial signs of progress, I would be the first to admit that we are not anywhere near where we need to be in turning around the thousands of low-performing high-poverty schools that are served by Title I. This is why the President is so strong for improved teacher quality and increased accountability. We know that many States, districts, and schools are not making as much progress as we had hoped. However, we did not expect to turn around the long, sorry history of setting low expectations for our Nation's poorest children in just four years. I believe we are now on the right course in aligning Title I with the best efforts of State and local school systems. We simply need to stay the course in fitting all the pieces together to raise achievement levels.

Finally, in looking at the impact of Title I, we should keep in mind that despite its size and prominence at the Federal level, it represents about three percent of national spending on elementary and secondary education. Title I is effective only when it works in partnership with much larger State and local resources. Nevertheless, Title I can and should do more to

assist State and local efforts to raise the educational achievement level of poor and minority children, and this is what we are trying to achieve through our reauthorization proposals.

Proposed Changes to Title I

Building on what we have learned since 1994, our reauthorization proposal would continue to hold at-risk children in high-poverty schools to the same high standards expected of all children and to link Title I to State and local reforms based on high standards. We also would continue targeting resources to areas of greatest need, supporting flexibility at the local level to determine instructional practices, and encouraging more effective implementation of schoolwide programs.

Title I schools would, of course, be subject to the accountability provisions that we would apply to all ESEA programs. Specific improvements to Title I would include targeting additional resources to help the lowest achieving schools, phasing in a set-aside for professional development aligned to standards, and phasing out the use of teacher aides as instructors in Title I schools. We also would strengthen the schoolwide authority by borrowing some of the successful features of the Comprehensive School Reform Demonstration program, such as basing reforms on solid research about what works. And in response to a key recommendation of the reading study conducted by the National Academy of Sciences (NAS), we are proposing the use of diagnostic assessments in the first grade to ensure the early identification of children with reading difficulties.

Separately, we support the continuation of the Comprehensive School Reform Demonstration program, which we believe is generating some good models for improving the effectiveness of the broader Title I program and for strengthening both Title I and non-Title I schools.

The Department also is considering proposals to promote high quality professional development for early childhood educators and others to help children better develop language and literacy skills in the early years. The NAS's reading study presented strong evidence that children who receive enrichment services focused on language and cognitive development in early childhood show significantly higher reading achievement in the later elementary and middle school years. We believe that professional development based on recent research on child language and literacy development—including strategies that could be shared with parents—could make a significant contribution toward the goal of ensuring that every child can read well by the end of the third grade. Our proposal would target those children most at risk of experiencing difficulty in learning to read by working with early childhood educators in Head Start and Title I pre-K programs.

QUALITY TEACHERS AND HIGH STANDARDS IN EVERY CLASSROOM

While every State has developed high standards, States and districts now need significant support to continue the hard work of turning these high expectations into classroom realities. This is why we are proposing a new initiative called Quality Teachers and High Standards in Every Classroom. This initiative would help States and school districts continue the work of aligning instruction with State standards and assessments, while

focusing most resources on improving teacher quality through high-quality professional development. Our proposal would build on and succeed the current Goals 2000, Title II, and Title VI programs.

The National Commission on Teaching and America's Future found that the biggest impediment to improving teaching was the lack of access to the kinds of knowledge and skills teachers need to help students succeed. We know from the Commission's report that most school districts do not direct their professional development funds in a coherent way toward sustained, standards-based, practical, and useful learning opportunities for teachers. We need to provide teachers with opportunities to change instructional practices in order to ensure that all children are taught to high standards.

Just as we have real concerns about improving teacher quality, we need to recognize the growing shortage of qualified principals. I was struck by a statistic in a recent article in *The Washington Post*, which indicated that about 50 percent of all schools face a shortage of qualified principal candidates. That is a very heavy statistic.

Unfortunately, we have not done enough to support the professional growth of teachers and principals. Currently, most school districts spend less than three percent of their budgets on professional development, while our best private companies spend as much as 10 percent to ensure that their employees have quality training and keep current in their work. If we expect the best from our students, we need to ensure that we are giving our teachers the best support possible. And, we know it works. In New York City's District 2, former Superintendent Tony Alvarado made major investments in professional development—investments that paid off in marked improvement in student achievement.

The 1994 reauthorization included a greater focus on research-based principles of professional development in the Eisenhower Professional Development program. Despite this emphasis, recent evaluations of the Eisenhower professional development program found that most districts did not receive enough funding to support the kind of on-going, intensive professional development that works best to improve teaching skills.

As we move into the next phase of getting high standards into schools and classrooms, we must give States and districts the flexibility they need to strengthen their local efforts to implement standards and to improve teacher quality. States could use these funds to continue the development of standards and assessments and provide leadership to districts working to align instruction with these standards and assessments and to improve professional development for teachers. School districts would use their funds to implement standards in schools and to invest in professional development in core subject areas, with a priority on science and mathematics.

States and districts would also be able to use these funds to meet new ESEA teacher quality requirements related to the implementation and improvement of competency-based assessments for initial licensure, the reduction of the number of teachers on emergency credentials, and the reduction of the number of teachers teaching out of field.

Funds would be used to advance teacher understanding and use of best instructional practices in one or more of the core academic content areas, with a primary focus on math and

science. The initiative also is designed to complement the strong emphasis on professional development throughout our ESEA reauthorization proposal, including Title I, the Reading Excellence Act, and Title VII.

We would support activities to assist new teachers during their first three years in classroom, including additional time for course preparation and lesson planning, mentoring and coaching by trained mentor teachers, observing and consulting with veteran teachers, and team-teaching with veteran teachers.

Veteran teachers would be encouraged to participate in collaborative professional development based on the standards developed by the National Board for Professional Teaching Standards. The initiative also would support district-wide professional development plans designed to help students meet State academic standards, the integration of educational technology into classroom practice, and efforts to develop the next generation of principals.

SAFE, DISCIPLINED, AND DRUG-FREE SCHOOLS

The Administration's plans for reauthorizing the Safe and Drug-Free Schools and Communities Act have actually taken shape over the past few years in our annual budget requests. These proposals have been designed to strengthen the program by improving accountability and by targeting funds to local educational agencies with (1) significant drug and violence prevention problems and (2) high-quality, research-based programs to address those problems.

Our reauthorization proposal would build on these earlier efforts by emphasizing a schoolwide approach to drug and violence prevention. All school districts receiving funds would be required to develop a comprehensive Safe and Drug-Free Schools plan to ensure that they have a drug-free, safe, and disciplined learning environment. These plans would include fair and effective discipline policies, safe passages to and from schools, effective research-based drug and violence prevention policies, and links to after-school programs. These plans would also have to reflect the "principles of effectiveness" that the Department recently established, which include the adoption of research-based strategies, setting measurable goals and objectives for drug and violence prevention, and regular evaluation of progress toward these goals and objectives.

Program funds would be distributed in larger, more effective grants, because our proposal would require States to award competitive grants to a limited number of high-need districts. Program evaluations have consistently found that the current practice of allocating funds by formula to all districts spreads funds too thinly to have a significant impact in most districts. For example, about three-fifths of districts currently receive grants of less than \$10,000, with the average grant providing only about \$5 per student.

Our reauthorization plan also would continue the Safe Schools/Healthy Students program, an interagency initiative that provides competitive grants to help school districts and communities to develop and implement comprehensive, community-wide strategies for creating safe and drug-free schools and for promoting healthy childhood development. Similarly, the Safe and Drug-Free Schools Coordinator Initiative would be continued under our proposal.

We also will propose to authorize the Department to provide emergency services—especially mental health and counseling services—to schools affected by the kind of violence or severe trauma we saw last year in Arkansas, Kentucky, Mississippi, Oregon, and Pennsylvania. This is the \$12 million Project SERV (School Emergency Response to Violence) initiative included in the President's 2000 budget request. Our reauthorization plan also would set aside a small amount of funding at the State level to support similar emergency response activities.

EDUCATIONAL TECHNOLOGY

Since the creation of Title III in the last ESEA reauthorization, the Federal government has helped States and school districts make significant progress in bringing technology into the classroom and making sure that teachers are prepared to effectively integrate technology throughout the curriculum.

With the support of Congress, the Department has delivered over \$1 billion to States through the Technology Literacy Challenge Fund. This investment is helping to increase the number of classrooms connected to the Internet—just 27 percent in 1997—and has helped decrease the student-computer ratio from 38 students per multimedia computer to 13 students per multimedia computer.

By early March, \$1.9 billion dollars in E-Rate discounts will be provided to the Nation's schools and libraries. This means that over the summer, the number of poor schools that are connected to the Internet will rise dramatically. These discounts will also provide affordable access to advanced telecommunications and ensure that all of our schools are active participants in the technological revolution.

To reduce the "digital divide" that could widen the achievement gap between disadvantaged students and their wealthier peers, we propose to strengthen the targeting provisions of the Technology Literacy Challenge Fund. Just 63 percent of high-poverty schools had connections to the Internet in 1998, compared to 88 percent of low-poverty schools. The disparity is even greater at the classroom level, with only 14 percent of classrooms connected to the Internet in high-poverty schools, compared to 34 percent of classrooms in low-poverty schools.

Federal dollars are helping to narrow this digital divide. High-poverty schools received over two-and-one-half times more new computers than their low-poverty counterparts in recent years. We will make a special effort to address the needs of rural America, where technologies like distance learning can make a real difference, and to coordinate ESEA technology programs with the Individuals with Disabilities Education Act Technology Development Program, which expands access to innovations in technology to students with disabilities.

Helping teachers integrate technology into their daily lesson plans will be another special focus. Currently, only 20 percent of our teachers feel qualified to integrate technology throughout the curriculum. The reauthorization proposal for Title III will focus on supporting

State and local efforts to improve teacher quality, with a priority for developing partnerships between local school districts, institutes of higher education, and other entities.

We also want to strengthen our evaluation efforts to find proven and promising models of how technology is improving achievement that we can bring to scale.

SUPPORTING STUDENTS WITH LIMITED ENGLISH PROFICIENCY

Students with limited English proficiency (LEP) are the fastest growing population served by the Elementary and Secondary Education Act. According to State educational agency data, the number of LEP students grew 67 percent between the 1990-91 and 1996-97 academic years.

Growing numbers of LEP students are in States and communities that have little prior experience in serving them. For example, between the 1992-93 and 1996-97 school years, the LEP population more than doubled in Alabama, Alaska, Florida, Idaho, Nebraska, Nevada, North Carolina, Oregon, South Carolina, and Tennessee.

The President's goal is to hold schools accountable for ensuring that LEP students can speak and read English after three consecutive years in our schools. We are equally committed to ensuring that LEP students reach challenging academic standards in all content areas. We also want to assure that States and school districts have the flexibility they need to provide the most appropriate instruction for each child.

I told you earlier that we cannot afford to waste the talents of one child. One of America's greatest strengths has always been her diversity of peoples. Today, immigrants and their children are revitalizing our cities, energizing our culture, and building up our economy. We have a responsibility to make them welcome here and to help them to enter the mainstream of American life.

Our reauthorization proposal for the Title VII bilingual education provisions seeks to achieve these goals by emphasizing the same two key strategies we are pursuing throughout the ESEA: improving teacher quality and strengthening accountability.

To increase teacher quality, for example, all institutions of higher education applying for Title VII grants would be required to show that their teacher education programs include preparation for all teachers serving LEP students.

To strengthen accountability, we would require both Title VII grantees and Title I schools to annually assess the progress of LEP students in attaining English proficiency. These assessments will be used to inform parents of their children's progress and to help schools improve instruction.

LEP students who have been in U.S. schools for less than three years would continue to be included in the Title I assessment system, but after three years reading assessments would be conducted in English. Schools and districts would be held responsible, as part of the larger ESEA accountability provisions, for ensuring that LEP students reach the three-year English language proficiency goal.

I also believe that America's children need to become much more fluent in other languages. We are very far behind other nations when it comes to giving our students a mastery of other languages. There are teenagers in Europe who can easily speak three languages. I am certain we can do a much better job at giving our students both a mastery of English and fluency in at least one foreign language. There are currently over 200 two-way bilingual education programs that teach English and a foreign language and allow all students to truly develop proficiency in both languages.

EXCELLENCE AND OPPORTUNITY IN PUBLIC EDUCATION

As I travel around the country visiting schools, I continue to see the spark of innovation and creativity in many public schools. Public education is changing quite rapidly at the ground level and offering parents many more options in the terms of the type of schools their children can attend and the courses they can take.

This Administration is a strong advocate of public school choice as a way to encourage and stimulate the creative efforts of school districts to give parents the opportunity to find a school that best fits the needs of their children. Some discussions about choice suggest that there is choice only outside of public education. Well, that is an assumption that I want to challenge because it really has no basis in fact.

You can go to school district after school district and find schools-within-schools, magnet schools, school-to-work initiatives, high schools collaborating with local colleges, and option and theme schools that focus in on specialized fields like the environment, the visual and performing arts, communications and technology, back-to-basics, classical studies, marine science, accelerated learning, the international baccalaureate, and career-related areas like finance and medical sciences.

There is a great deal of variety in public education at the local level, from alternative schools to community-based learning efforts, to schools-without-walls, to public schools that focus in on the core knowledge approach to education. There are public school districts like Seattle that have a completely open choice model and many other school districts that offer intra-district choice, inter-district choice, and controlled choice. Critics of public education would do well to recognize that many public school districts are far more in touch with parents than they think and are giving parents the choices they seek.

I want to stress that one of the most important choices that parents can make about a child's education is the choice of subjects and not schools. We have a growing body of research showing that courses students choose in middle and high school are powerful predictors of success—from mastery of high-level math to gaining entrance to top colleges and universities. The best schools in America—whether they are public, private or parochial—all share something in common: they place a strong emphasis on a rigorous and engaging academic program. This is what makes these schools distinctive, and it is what makes them work.

That is why President Clinton has spent six years advocating the idea that by raising standards, exciting families about their children's education, and putting quality teachers into

every classroom, we can raise achievement for many, many more of our students—and indeed, someday soon, hopefully all of our students. That is the best public policy for us to support. Private school voucher programs affect only a small number of students, divert us from our goal of high standards for all children, and take scarce resources from the public schools that serve around 90 percent of America's children.

While the Clinton Administration strongly opposes efforts to divert public funds to private schools through vouchers or similar proposals, we want to encourage the development of new choices within the public school system. This is why we worked very closely with Congress to reauthorize the Charter School legislation that fosters creativity with accountability.

This year we are proposing a new choice authority that would help us identify and support new approaches to public school choice, such as interdistrict magnet schools and worksite schools, and promote a new, broader version of choice that works within all public schools.

We are interested in promoting public school choice programs in which the schools and programs are public and accountable for results, are genuinely open and accessible to all students, and promote high standards for all students. There are many successful public schools that can provide models for improving low-performing schools, and one of our goals must be to find ways to help States and local school districts to replicate these successful models by leveraging "what works" for our children's education.

MODERNIZING SCHOOLS FOR THE 21ST CENTURY

An additional priority for the Administration is to help communities build and renovate the school buildings they will need to help all students reach challenging standards. The General Accounting Office has reported that States and school districts face over \$112 billion in repairs to existing schools. In addition, many schools face severe overcrowding as a result of the "baby boom echo."

The Administration is proposing \$25 billion in authority for interest-free bonds to finance the construction or renovation of up to 6,000 schools. This proposal will be included as part of the President's tax legislation. In addition, through the reauthorized ESEA, we would make grants to involve citizens in designing schools that reflect the needs of the entire community. The President's 2000 budget would provide \$10 million for these grants under the Fund for the Improvement of Education.

CONCLUSION

These are just the highlights of a comprehensive reauthorization proposal that will span a dozen or so titles affecting nearly every area of Federal support for the Nation's elementary and secondary schools. I encourage you to give careful consideration to our full proposal when it is completed next month, and I look forward to discussing the specific details of our plan as your work on your legislation.

The framework for all of our thinking is the clear recognition that the days of “dumbing down” American education are over. We want to “achieve up” and raise expectations for all of our young people. As I have said so many times before, our children are smarter than we think. We can and surely will debate the merits of the policy ideas that we are putting forward today and that is healthy. Let us find common ground, however, around the idea that we have both a moral and social obligation to give the poorest of our young people the help they need to get a leg-up in life and be part of the American success story.

As I travel around the country visiting schools, I really do get a sense that things are happening, that a very strong consensus has developed about what needs to be done to improve our schools. All the elements are coming together: a new emphasis on early childhood, better reading skills, high expectations for all of our young people, and accountability for results. We are moving in the right direction and we need to stay the course to get results and always remember that “the victory is in the classroom.”

In conclusion, I want assure you that the Administration is prepared to work with the Congress to help and support local and State educators and leaders who are striving to raise achievement levels. I hope that in the process, a new bipartisan spirit can evolve around education issues. The last few years have been somewhat contentious here in Washington, and we need to give a better account of ourselves to the American people.

I will be happy to take any questions you may have.

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RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Mickey Ibarra (CN=Mickey Ibarra/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 9-FEB-1999 07:57:16.00

SUBJECT: NGA Message MTG

TO: Elena Kagan (CN=Elena Kagan/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

TO: Bruce N. Reed (CN=Bruce N. Reed/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

TO: Jennifer M. Palmieri (CN=Jennifer M. Palmieri/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: George T. Frampton (CN=George T. Frampton/OU=CEQ/O=EOP @ EOP [CEQ])
READ:UNKNOWN

TO: Sally Katzen (CN=Sally Katzen/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

TO: Stacie Spector (CN=Stacie Spector/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Ann F. Lewis (CN=Ann F. Lewis/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:

I wanted you to be aware of today's meeting below to prepare for
Governors. If there are others from your staff you want at this meeting,
please ask them to let Bill White of IGA know. Thanks.

----- Forwarded by Mickey Ibarra/WHO/EOP on 02/09/99
07:54 AM -----

William H. White Jr.
02/08/99 08:14:02 PM
Record Type: Record

To: See the distribution list at the bottom of this message
cc: Mickey Ibarra/WHO/EOP, Fred DuVal/WHO/EOP
Subject: NGA Message MTG

Please attend a meeting tomorrow (Tuesday) at 1:30 in room 106 to discuss
POTUS message and discussion topics for NGA Roundtable East Room Event on
2/22. All 50 Governors are expected [Even The Mind]. Attached is how we
expect the program to flow:

POTUS Remarks (15 Minutes) OPEN PRESS
NGA Chair Gov Carper Remarks OPEN PRESS
VP Remarks OPEN PRESS
NGA Co-Chair Gov Leavitt OPEN PRESS
Governor TBD makes 5 minute presentation on topic; POTUS/Cab
responds CLOSED
Governor TBD makes 5 minute presentation on topic; POTUS/Cabinet
responds CLOSED

Governor TBD makes 5 minute presentation on topic; POTUS/Cabinet responds CLOSED

Governor TBD makes 5 minute presentation on topic; POTUS/Cabinet responds CLOSED

NGA wants to raise the following as discussion topics:

Education (Ed-Flex & Accountability)
Tobacco Recoupment

Our potential topics:

Education (Class Size/Modernization): We could also consider taking the offensive on NGA concerns with our education agenda in the President's opening remarks...propose legislation on Ed-Flex, address state concerns with our accountability initiative.

Livability/Lands Legacy: Huge initiative that the states have not fully comprehended.

Social Security: A priority issue for us, but Governors are not natural stakeholders. The majority of Governors, particularly those from the states most impacted (CA, MA, LA,) are unified in their opposition to proposals mandating that new state and local government workers contribute to Social Security.

Long Term Care

Welfare To Work: We could announce that we are taking back all the states unused welfare money and issue some new regulations and mandates.

Message Sent

To: _____

Paul J. Weinstein Jr./OPD/EOP

Jake Siewert/OPD/EOP

Jonathan Orszag/OPD/EOP

Todd A. Bledsoe/WHO/EOP

George G. Caudill/WHO/EOP

Chandler G. Spaulding/WHO/EOP

Tanya E. Martin/OPD/EOP

Cynthia A. Rice/OPD/EOP

Jeanne Lambrew/OPD/EOP

Jonathan H. Schnur/OPD/EOP

Andrea Kane/OPD/EOP

Sarah A. Bianchi/OVP @ OVP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Dan Marcus (CN=Dan Marcus/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 9-FEB-1999 08:56:50.00

SUBJECT: Grijalva cert petition

TO: Christopher C. Jennings (CN=Christopher C. Jennings/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

TO: Elena Kagan (CN=Elena Kagan/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

TEXT:

Waxman will shortly fax new draft to me, which I will circulate to you. He feels strongly we should file, and that option of not filing is bad for Govt generally and HHS (he says Donna feels strongly we should file). Seth wants to be heard before decision is made not to file. He also thinks complete bare-bones approach won't work, because Opposition will say this case different from Sullivan, and we'll have to sayin reply what we don't want to say now in any event.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Dan Marcus (CN=Dan Marcus/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 9-FEB-1999 09:16:44.00

SUBJECT: Rabb

TO: Elena Kagan (CN=Elena Kagan/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

CC: Christopher C. Jennings (CN=Christopher C. Jennings/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

I just spoke to Harriet, who confirmed that she and HHS are now passionate that it is critical that we do at least option 2, i.e., that we file. If the existing stay expires tomorrow and they have to go running to the plaintiffs for a deal or the District Court for relief, she fears disaster will result. And any flak we would get from filing for cert (even with the state action argument) would, she says, be exceeded by the flak we would get if we're back in District Court arguing anew against some of the requirements of the District Court's existing injunction -- at the same time as we are pushing for the patients' bill of rights. And HCFA, of course, is totally unprepared to comply with the injunction.

She is also persuaded that we need to at least modestly explain why the decision below on state action is wrong and will create problems. And, she believes, we can explain to the advocate community why we needed to do this.

Harriet is planning to call you, Elena.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Melissa N. Benton (CN=Melissa N. Benton/OU=OMB/O=EOP [OMB])

CREATION DATE/TIME: 9-FEB-1999 10:00:09.00

SUBJECT: LABOR Draft Bill on Trade Adjustment Assistance Reform Act of 1999

TO: ogc_legislation (ogc_legislation @ ed.gov @inet [UNKNOWN])
READ:UNKNOWN

TO: usdaobpaleg (usdaobpaleg @ obpa.usda.gov @ inet [UNKNOWN])
READ:UNKNOWN

TO: clrm (clrm @ doc.gov @ inet [UNKNOWN])
READ:UNKNOWN

TO: Stuart Shapiro (CN=Stuart Shapiro/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TO: Laurence R. Jacobson (CN=Laurence R. Jacobson/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TO: Sarah S. Lee (CN=Sarah S. Lee/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TO: Louisa Koch (CN=Louisa Koch/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TO: Rodney G. Bent (CN=Rodney G. Bent/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TO: Elena Kagan (CN=Elena Kagan/OU=OPD/O=EOP@EOP [OPD])
READ:UNKNOWN

TO: Jonathan Orszag (CN=Jonathan Orszag/OU=OPD/O=EOP@EOP [OPD])
READ:UNKNOWN

TO: Larry R. Matlack (CN=Larry R. Matlack/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TO: blue_gloria@ustr.gov@INET (blue_gloria@ustr.gov@INET [UNKNOWN])
READ:UNKNOWN

TO: agc.llr (agc.llr @ treas.sprint.com @ inet [UNKNOWN])
READ:UNKNOWN

TO: justice.lrm (justice.lrm @ usdoj.gov @ inet [UNKNOWN]) (OA)
READ:UNKNOWN

TO: Janet R. Forsgren (CN=Janet R. Forsgren/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TO: Daniel J. Chenok (CN=Daniel J. Chenok/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TO: Randolph M. Lyon (CN=Randolph M. Lyon/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TO: Donna M. Rivelli (CN=Donna M. Rivelli/OU=OMB/O=EOP@EOP [OMB])

READ:UNKNOWN

TO: Nancy E. Schwartz (CN=Nancy E. Schwartz/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TO: Robert G. Damus (CN=Robert G. Damus/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TO: Karen Tramontano (CN=Karen Tramontano/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Carole Kitti (CN=Carole Kitti/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TO: Barry White (CN=Barry White/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TEXT:

NOTE TO EOP STAFF: YOU WILL NOT RECEIVE A HARD COPY OF THIS LRM.

----- Forwarded by Melissa N. Benton/OMB/EOP on 02/09/99

09:57 AM -----

Total Pages: _____

LRM ID: MNB13
EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
Washington, D.C. 20503-0001

Tuesday, February 9, 1999

LEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer - See Distribution below

FROM: Janet R. Forsgren (for) Assistant Director for Legislative
Reference

OMB CONTACT: Melissa N. Benton

PHONE: (202)395-7887 FAX: (202)395-6148

SUBJECT: LABOR Draft Bill on Trade Adjustment Assistance Reform
Act of 1999

DEADLINE: COB Friday, February 12, 1999

In accordance with OMB Circular A-19, OMB requests the views of your agency on the above subject before advising on its relationship to the program of the President. Please advise us if this item will affect direct spending or receipts for purposes of the "Pay-As-You-Go" provisions of Title XIII of the Omnibus Budget Reconciliation Act of 1990.

COMMENTS:

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- Donna M. Rivelli
- Sarah S. Lee
- Randolph M. Lyon
- Laurence R. Jacobson
- Daniel J. Chenok
- Stuart Shapiro
- Janet R. Forsgren

LRM ID: MNB13 SUBJECT: LABOR Draft Bill on Trade Adjustment Assistance Reform Act of 1999

RESPONSE TO LEGISLATIVE REFERRAL MEMORANDUM

If your response to this request for views is short (e.g., concur/no comment), we prefer that you respond by e-mail or by faxing us this response sheet. If the response is short and you prefer to call, please call the branch-wide line shown below (NOT the analyst's line) to leave a message with a legislative assistant.

You may also respond by:

- (1) calling the analyst/attorney's direct line (you will be connected to voice mail if the analyst does not answer); or
- (2) sending us a memo or letter

Please include the LRM number shown above, and the subject shown below.

TO: Melissa N. Benton Phone: 395-7887 Fax: 395-6148 Office of Management and Budget Branch-Wide Line (to reach legislative assistant): 395-7362

FROM: _____ (Date)
 _____ (Name)
 _____ (Agency)
 _____ (Telephone)

The following is the response of our agency to your request for views on the above-captioned subject:

- _____ Concur
- _____ No Objection

DRAFT

2/8/99

**SUBTITLE B-TRADE ADJUSTMENT ASSISTANCE REFORM ACT OF
1999**

SECTION 1. SHORT TITLE.

This subtitle may be cited as the "Trade Adjustment Assistance Reform Act of 1999".

**SEC. 2. AUTHORIZATION OF CONSOLIDATED TRADE ADJUSTMENT
ASSISTANCE.**

(a) AUTHORIZATION OF APPROPRIATIONS

(1) IN GENERAL- Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended to read as follows:

"SEC. 245. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to the Department of Labor for each of the fiscal years 1999 through 2001 such sums as may be necessary to carry out the purposes of this chapter."

(2) TEMPORARY EXTENSION OF NAFTA ASSISTANCE- Section 250(d)(2) of such Act (19 U.S.C. 2331(d)(2)) is amended by striking "June 30, 1999, shall not exceed \$15,000,000" and inserting "September 30, 1999, shall not exceed \$30,000,000".

**(b) REPEAL OF NAFTA TRANSITIONAL ADJUSTMENT ASSISTANCE
PROGRAM-**

(1) IN GENERAL- Subchapter D of chapter 2 of title II of such Act (19 U.S.C.

2331) is hereby repealed.

(2) CONFORMING AMENDMENTS- (A) Section 249A of such Act (19 U.S.C. 2322) is hereby repealed.

(B) The table of contents of such Act is amended--
(i) by striking the item relating to section 249A;
and (ii) by striking the items
relating to subchapter D of chapter 2 of title II.

(c) TERMINATION- Section 285 of such Act (19 U.S.C. 2271 note) is amended--

(1) by amending subsection (c)(1) to read as follows:

“(c)(1) Except as provided in paragraph (2), no assistance, vouchers, allowances, or other payments may be provided under chapter 2, and no technical assistance may be provided under chapter 3, after September 30, 2001.”; and

(2) in subsection (c)(2), by striking “June 30, 1999,” and inserting “September 30, 1999.”.

(d) EFFECTIVE DATE-

(1) SUBSECTIONS (a) AND (c)- The amendments made by subsections (a) and (c) take effect on--

(A) July 1, 1999; or

(B) the date of enactment of this Act,

whichever is earlier.

(2) SUBSECTION (b)- The amendments made by subsection (b) take effect on--

- (A) October 1, 1999; or
 - (B) 90 days after the date of enactment of this Act,
- whichever is later.

**SEC. 3. FILING OF PETITIONS AND PROVISION OF RAPID RESPONSE
ASSISTANCE; EXPEDITED REVIEW OF PETITIONS BY SECRETARY OF LABOR.**

(a) FILING OF PETITIONS AND PROVISION OF RAPID RESPONSE

ASSISTANCE- Section 221(a) of the Trade Act of 1974 (19 U.S.C. 2271(a)) is amended to read as follows:

“(a)(1) A petition for certification of eligibility to apply for adjustment assistance for a group of workers under this chapter may be filed with the Governor of the State in which such workers' firm or subdivision is located by any of the following:

“(A) The group of workers (including workers in an agricultural firm or subdivision of any agricultural firm).

“(B) The certified or recognized union or other duly authorized representative of such workers.

“(C) Employers of such workers, one-stop operators or one-stop partners (as defined in section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801)), or State employment agencies, on behalf of such workers.

“(2) Upon receipt of a petition filed under paragraph (1), the Governor shall--

“(A) immediately transmit the petition to the Secretary of Labor (hereinafter in this chapter referred to as the 'Secretary');

“(B) ensure that rapid response assistance and basic readjustment services authorized under other Federal laws are made available to the workers covered by the petition to the extent authorized under such laws; and

“(C) assist the Secretary in the review of the petition by verifying such information and providing such other assistance as the Secretary may request.

“(3) Upon receipt of the petition, the Secretary shall promptly publish notice in the Federal Register that the Secretary has received the petition and initiated an investigation”.

(b) EXPEDITED REVIEW OF PETITIONS BY SECRETARY OF LABOR- Section 223(a) of such Act (19 U.S.C. 2273(a)) is amended in the first sentence by striking “60 days” and inserting “40 days”.

SEC. 4. ADDITION OF SHIFT IN PRODUCTION AS BASIS FOR ELIGIBILITY FOR TRADE ADJUSTMENT ASSISTANCE.

Section 222(a) of the Trade Act of 1974 (19 U.S.C. 2272(a)) is amended to read as follows:

“(a) A group of workers (including workers in any agricultural firm or subdivision of an agricultural firm) shall be certified by the Secretary as eligible to apply for adjustment assistance under this chapter pursuant to a petition filed under section 221 if the Secretary determines that--

“(1) a significant number or proportion of the workers in such workers' firm or an appropriate subdivision of the firm have become totally or partially separated, or are threatened to become totally or partially separated; and

“(2)(A)(i) the sales or production, or both, of such firm or subdivision have

decreased absolutely;

“(ii) imports of articles like or directly competitive with articles produced by such firm or subdivision have increased; and

“(iii) the increase in imports described in clause (ii) contributed importantly to such workers' separation or threat of separation and to the decline in the sales or production of such firm or subdivision; or

“(B) there has been a shift in production by such workers' firm or subdivision to a foreign country of articles like or directly competitive with articles which are produced by such firm or subdivision.”.

SEC. 5. INFORMATION ON CERTAIN

CERTIFICATIONS.

Section 223 of the Trade Act of 1974 (19 U.S.C. 2273) is amended by adding at the end the following subsection:

“(e) The Secretary shall collect and maintain information--

“(1) identifying the countries to which firms have shifted production resulting in certifications under section 222(a)(2)(B), including the number of such certifications relating to each country; and

“(2) to the extent feasible, identifying the countries from which imports of articles have resulted in certifications under section 222(a)(2)(A), including the number of such certifications relating to each country.”.

SEC. 6. ENROLLMENT IN TRAINING REQUIREMENT.

Section 231(a)(5)(A) of the Trade Act of 1974 (19 U.S.C. 2291(a)(5)(A)) is amended--

- (1) by inserting “(i)” after “(A)”;
- (2) by adding “and” after the comma at the end; and
- (3) by adding at the end the following:

“(ii) the enrollment required under clause (i) occurs no later than the latest
of--

“(I) the last day of the 16th week after the worker's most recent
total separation from adversely affected employment which meets the
requirements of paragraphs (1) and (2);

“(II) the last day of the 8th week after the week in which the
Secretary issues a certification covering the worker; or

“(III) 45 days after the later of the dates specified in subclause (I)
or (II), if the Secretary determines there are extenuating circumstances that
justify an extension in the enrollment period;”.

SEC. 7. WAIVERS OF TRAINING REQUIREMENTS.

(a) IN GENERAL- Section 231(c) of the Trade Act of 1974 (19 U.S.C. 2291(c)) is
amended to read as follows:

“(c)(1) The Secretary may issue a written statement to a worker waiving the
enrollment in the training requirement described in subsection (a)(5)(A) if the Secretary
determines that such training requirement is not feasible or appropriate for the worker, as
indicated by 1 or more of the following:

“(A) The worker has been notified that the worker will be recalled by the
firm from which the qualifying separation occurred.

“(B) The worker has marketable skills as determined pursuant to an assessment of the worker, which may include the profiling system under section 303(j) of the Social Security Act (42 U.S.C. 503(j)), carried out in accordance with guidelines issued by the Secretary.

“(C) The worker is within 2 years of meeting all requirements for entitlement to old-age insurance benefits under title II of the Social Security Act (42 U.S.C. 401 et seq.) (except for application therefor).

“(D) The worker is unable to participate in training due to the health of the worker, except that a waiver under this subparagraph shall not be construed to exempt a worker from requirements relating to the availability for work, active search for work, or refusal to accept work under Federal or State unemployment compensation laws.

“(E) The first available enrollment date for the approved training of the worker is within 45 days after the date of the determination made under this paragraph, or, if later, there are extenuating circumstances for the delay in enrollment, as determined pursuant to guidelines issued by the Secretary.

“(F) There are insufficient funds available for training under this chapter, taking into account the limitation under section 236(a)(2)(A).

“(G) The duration of training appropriate for the individual to obtain suitable employment exceeds the individual's maximum entitlement to basic and additional trade readjustment allowances and, in addition, financial support available through other Federal or State programs, including title III of the Job

Training Partnership Act (29 U.S.C. 1651 et seq.) or chapter 5 of subtitle B of title I of the Workforce Investment Act of 1998, that would enable the individual to complete a suitable training program cannot be assured.

“(2) The Secretary shall specify the duration of the waiver under paragraph (1) and shall periodically review the waiver to determine whether the basis for issuing the waiver remains applicable. If at any time the Secretary determines such basis is no longer applicable to the worker, the Secretary shall revoke the waiver.

“(3) Pursuant to the agreement under section 239, the Secretary may authorize the State or State agency to carry out activities described in paragraph (1) (except for the determination under subparagraphs (F) and (G) of paragraph (1)). Such agreement shall include a requirement that the State or State agency submit to the Secretary the written statements provided pursuant to paragraph (1) and a statement of the reasons for the waiver.

“(4) The Secretary shall submit an annual report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives identifying the number of workers who received waivers and the average duration of such waivers issued under this subsection during the preceding year.”.

(b) CONFORMING AMENDMENT- Section 231(a)(5)(C) of such Act (19 U.S.C. 2291(a)(5)(C)) is amended by striking “certified”.

SEC. 8. PROVISION OF TRADE READJUSTMENT ALLOWANCES DURING BREAKS IN TRAINING.

Section 233(f) of the Trade Act of 1974 (19 U.S.C. 2293(f)) is amended in the matter

preceding paragraph (1) by striking "14 days" and inserting "30 days".

SEC. 9. INCREASE IN ANNUAL TOTAL AMOUNT OF PAYMENTS FOR TRAINING.

Section 236(a)(2)(A) of the Trade Act of 1974 (19 U.S.C. 2296(a)(2)(A)) is amended by striking "\$80,000,000" and all that follows through \$70,000,000 and inserting "\$150,000,000".

SEC. 10. ELIMINATION OF QUARTERLY REPORT.

(a) IN GENERAL- Section 236(d) of the Trade Act of 1974 (19 U.S.C. 2296(d)) is amended by striking the last sentence.

(b) EFFECTIVE DATE- The amendment made by this section takes effect on October 1, 1999.

**SEC. 11 COORDINATION WITH
ONE-STOP DELIVERY SYSTEMS, THE JOB TRAINING PARTNERSHIP ACT, AND
THE WORKFORCE INVESTMENT ACT OF 1998**

(a) COORDINATION WITH ONE-STOP DELIVERY SYSTEMS- Section 235 of the Trade Act of 1974 (19 U.S.C. 2295) is amended by inserting ", including the services provided through one-stop delivery systems described in section 134(c) of the Workforce Investment Act of 1998 (19 U.S.C. 2864(c))" before the period at the end of the first sentence.

(b) COORDINATION WITH JOB TRAINING PARTNERSHIP ACT AND
WORKFORCE INVESTMENT ACT OF 1998- Section 239(e) such Act (19 U.S.C. 2311(e)) is amended--

(1) in the first sentence, by striking "or title I of the Workforce Investment Act of 1998" and inserting "or under the provisions relating to dislocated worker employment and training activities set forth in chapter 5 of subtitle B of title I of the Workforce

Investment Act of 1998 (29 U.S.C. 2861 et seq.), as the case may be,”; and

(2) by inserting after the first sentence the following: “Such coordination shall include use of common reporting systems and elements, including common elements relating to participant data and performance outcomes (including employment, retention of employment, and wages).”.

SEC. 12. SUPPORTIVE SERVICES.

(a) IN GENERAL- Part II of subchapter B of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2295 et seq.) is amended by adding at the end the following:

“SEC. 238A. SUPPORTIVE SERVICES.

“(a) APPLICATION- Any adversely affected worker covered by a certification under subchapter A of this chapter may file an application with the Secretary for the provision of supportive services, including transportation, child and dependent care, and other similar services.

“(b) CONDITIONS- The Secretary may approve an application filed under subsection (a) and provide supportive services to an adversely affected worker only if the Secretary determines that--

“(1) the provision of such services is necessary to enable the worker to participate in or complete training; and

“(2) the provision of such services is consistent with the provision of supportive services to participants under the program of employment and training assistance for dislocated workers carried out under title III of the Job Training Partnership Act (29 U.S.C. 1651 et seq.), as in effect on

the date of enactment of the Trade Adjustment Assistance Reform Act of 1999, or under the provisions relating to dislocated worker employment and training activities set forth in chapter 5 of subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2861 et seq.), as the case may be.”.

(b) CONFORMING AMENDMENT- The table of contents of such Act is amended by inserting after the item relating to section 238 the following:

“Sec. 238A. Supportive services.”.

SEC. 13. ADDITIONAL CONFORMING AMENDMENTS.

(a) SECTION 225- Section 225(b) of the Trade Act of 1974 (19 U.S.C. 2275(b)) is amended in each of paragraphs (1) and (2) by striking “or subchapter D”.

(b) SECTION 240- Section 240(a) of such Act (19 U.S.C. 2312(a)) is amended by striking “subchapter B of”.

SEC. 14. AVAILABILITY OF CONTINGENCY FUNDS.

(a) IN GENERAL- Section 245 of the Trade Act of 1974 (19 U.S.C. 2317), as amended by section 2, is amended--

(1) by striking “There are authorized” and inserting “(a) IN GENERAL- There are authorized”; and

(2) by adding at the end the following:

“(b) CONTINGENCY FUNDS- Subject to the limitation contained in section 236(a)(2), if in any fiscal year the funds available to carry out the programs under this chapter are exhausted, there shall be made available from funds in the Treasury not otherwise appropriated

amounts sufficient to carry out such programs for the remainder of the fiscal year.”.

(b) EFFECTIVE DATE- The amendments made by this section take effect on--

(1) July 1, 1999; or

(2) the date of enactment of this Act,

whichever is earlier.

SEC. 15. REAUTHORIZATION OF ADJUSTMENT ASSISTANCE FOR FIRMS.

(a) IN GENERAL- Section 256(b) of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended by striking “for the period beginning October 1, 1998, and ending June 30, 1999” and inserting “for each of fiscal years 1999 through 2001”.

(b) EFFECTIVE DATE- The amendment made by this section takes effect on--

(1) July 1, 1999; or

(2) the date of enactment of this Act,

whichever is earlier.

SEC. 16. PRESIDENTIAL COMMISSION ON WORKERS AND ECONOMIC CHANGE IN THE NEW ECONOMY.

(a) ESTABLISHMENT.- There is established a commission that is to be known as the ‘Presidential Commission on Workers and Economic Change in the New Economy’ (in this section referred to as the “Commission”).

(b) DUTIES-

(1) STUDY.- The Commission shall conduct a thorough study of matters relating to economic dislocations and worker adjustment to such dislocations.

(2) CONDUCT OF STUDY.- In carrying out the study under paragraph (1), the

Commission shall examine-

(A) the impact of trade, technology, and the changing nature of work organizations on workers and the economy, including worker dislocations resulting from these factors;

(B) the effectiveness of existing education and job training programs at the Federal level in assisting workers in adjusting to economic change, including the adequacy of the design of such programs and resources devoted to such programs;

(C) the strategies for providing workplace education and training to assist workers in acquiring new skills;

(D) the role of public-private partnerships in implementing worker education and training; and

(E) the role of income support and economic security programs in facilitating worker adjustment in rapidly changing economic circumstances.

(c) MEMBERSHIP.- The Commission shall be composed of 15 members appointed by the President. The members of the Commission shall include individuals who are members of Congress, workforce development professionals, educators, heads of appropriate State agencies, business leaders, and representatives of labor organizations who are nominated by a national labor federation.

(d) POWERS AND PERSONNEL.- The Commission shall have general powers and authority with respect to personnel in the same manner and to the same extent as the general powers and authority with respect to personnel provided to the Twenty-First Century Workforce Commission under sections 336 and 337 of the Workforce Investment Act of 1998.

(e) REPORT.- Not later than 18 months after the first meeting of the Commission, the Commission shall prepare and submit to the President and the Congress a report that contains-

(1) a detailed statement of the findings and conclusions of the Commission relating to the study carried out under subsection (b);

(2) a compendium of best practices and policies carried out by employers and public-private partnerships in providing workers with the education and training needed to effectively adjust to economic change; and

(3) any recommendations relating to legislative and administrative actions that the Commission determines to be appropriate.

(f) AUTHORIZATION OF APPROPRIATIONS.- There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2000.

SEC. 17. EFFECTIVE DATE; TRANSITION PROVISION.

(a) EFFECTIVE DATE- Except as otherwise provided in this Act, this Act and the amendments made by this Act take effect on--

(1) October 1, 1999; or

(2) 90 days after the date of enactment of this Act,
whichever is later.

(b) TRANSITION- The Secretary of Labor may promulgate such rules as the Secretary determines to be necessary to provide for the implementation of the amendments made by this Act.

DRAFT

2/8/99

SECTION-BY-SECTION ANALYSIS OF THE SUBTITLE B
TRADE ADJUSTMENT ASSISTANCE REFORM ACT OF 1999

Section 1 provides that the short title of subtitle B is the "Trade Adjustment Assistance Reform Act of 1999".

Section 2 contains the authorization for the consolidated Trade Adjustment Assistance (TAA) program.

Section 2(a) authorizes such sums as may be necessary to be appropriated to the Department of Labor to carry out the consolidated program for each of fiscal years 2000 and 2001. This provision also provides a temporary extension of the current TAA and NAFTA Transitional Adjustment Assistance (NAFTA-TAA) programs from June 30, 1999 to September 30, 1999, when the two programs will be replaced by the consolidated program. The temporary extension includes a restoration of the \$30 million annual cap on training funds for NAFTA-TAA, which had been reduced to \$15 million under last year's short-term extension.

Section 2(b) repeals the NAFTA Transitional Adjustment Assistance (NAFTA-TAA) program effective October 1, 1999 or, to allow for a transition period, 90 days after enactment of this subtitle, whichever is later.

Section 2(c) provides a termination date for assistance under the consolidated program

and for the trade adjustment assistance for firms administered by the Department of Commerce of September 30, 2001.

Section 3 relates to the filing of petitions and the provision of rapid response assistance by the States.

Section 3(a) provides that a petition for certification of eligibility to apply for assistance is to be filed by a group of workers, or by their union or other representatives, such as the workers' firm, State agencies, and one-stop career centers, with the Governor of the State in which the workers' firm is located. The Governor is to immediately transmit the petition to the Secretary of Labor; ensure that rapid response assistance and basic readjustment services authorized under other Federal laws are made available to workers covered by the petition; and assist the Secretary in reviewing the petition by verifying information and providing such other assistance as the Secretary may request. The Secretary is to publish a notice in the Federal Register upon receipt of an petition that an investigation has been initiated. This provision is a hybrid of the current petition procedures under the two programs. Currently under TAA the petition is filed with the Secretary rather than the State and there is no requirement that the State provide appropriate rapid response services. Rapid response assistance and basic readjustment services provide critical information and services that can often facilitate coordinated planning and more rapid reemployment for affected workers. Therefore, it is essential that this assistance be included in the consolidated program. Currently, under NAFTA-TAA the petition is filed with the Governor, who has ten days to make a preliminary determination of eligibility, and then transmits the petition to the Secretary for a final determination. Rapid response assistance is required upon an affirmative finding. The consolidated provision relieves the burden on the

States of making a preliminary determination and avoids unnecessary delay in the provision of rapid response assistance. Under the consolidated provision, the State is also to provide such assistance in reviewing the petition as the Secretary may request, which should assist in expediting the review process.

Section 3(b) accelerates the time period in which the Secretary is to complete a review of the petitions from the current 60 days after a petition is filed under TAA to 40 days after a petition is filed under the consolidated program.

Section 4 adds as a basis for eligibility under the consolidated TAA program job loss due to the shift in production by the workers' firm to another country. Currently, TAA eligibility is limited to workers who are adversely affected by imports. NAFTA-TAA eligibility is based on workers already affected by imports from Mexico and Canada or a shift in production to either of those two countries. The consolidated TAA program will base eligibility on workers adversely affected by either imports from or shifts in production to any foreign country.

Specifically, the amended section 222(a) of the Trade Act of 1974 would provide that a group of workers filing a petition will be eligible for assistance if the Secretary determines that a significant number or proportion of the workers in the workers' firm or subdivision have become separated, or are threatened with separation, and either: (1) the sales or production of the firm have decreased absolutely, imports of articles like or directly competitive with the articles produced by the firm or subdivision have increased, and the increase in imports contributed importantly to the workers' separation and to the decline in sales or production by the workers' firm, or (2) there has been a shift in production by the workers' firm or subdivision to a foreign country of articles like or directly competitive with the articles produced by the firm or

subdivision.

Section 5 provides that the Secretary is to collect and maintain information identifying the countries to which production is shifted and, to the extent feasible, from which articles are imported that result in certifications under this chapter and in the number of certifications relating to each such country. The provision qualifies the collection of information on imports "to the extent feasible" because it is sometimes difficult to identify the primary source of imported articles since such articles may have components produced in several different countries or may be transshipped among countries. These information collection requirements will result in the availability of information relating to certifications based on shifts in production to and imports from Mexico and Canada, which would be useful to the Congress and other policy makers in assessing the adequacy of the consolidated program. It would also maintain a commitment to account for program activity relating to trade with Mexico or Canada and would facilitate eligibility determinations for related programs, such as the North American Development Bank and Community Adjustment and Investment Program.

Section 6 would apply to the consolidated TAA program an enrollment in training requirement for income support similar to the requirement that is currently included under NAFTA-TAA. Under this requirement, in order to be eligible to receive income support under the program while in training, a worker must be enrolled in training not later than either the last day of 16th week of a worker's most recent total qualifying separation or the 8th week after a certification of eligibility is issued. The Secretary may extend these periods by 45 days if there are extenuating circumstances, such as a course is cancelled or the first available enrollment date for a particular program is later. This requirement encourages workers to make training

decisions early in their spell of unemployment which will accelerate reemployment and enhance the adjustment process.

Section 7 specifies the conditions under which a waiver may be issued from the general requirement that a worker be enrolled in training to receive income support. This provision is a hybrid between the TAA program, which provides general waiver authority where training is deemed to be not "feasible or appropriate" for a worker, and NAFTA-TAA which does not allow any waivers of the requirements.

Specifically, the new provision allows a waiver under the following seven conditions: (1) the worker has been notified that the worker will be recalled to employment; (2) the worker has marketable skills as determined pursuant to an assessment; (3) the worker is within two years of qualifying for retirement benefits under the Social Security Act; (4) the worker is unable to participate in training due to health (except this does not exempt the worker from available for work requirements otherwise applicable to the receipt of income support); (5) the first available enrollment date is within 45 days; (6) there are insufficient funds for training under the chapter; or (7) the duration of training appropriate for a worker exceeds the duration of income support available under TAA, and financial support for the additional period cannot be assured under other Federal or State programs. The Secretary is to specify the duration of each waiver and periodically review the waiver to ensure the basis for granting it remains applicable to the worker.

These requirements are intended to ensure that the primary purpose of income support under the Act -- to assist workers while they are participating in training -- is maintained while allowing for reasonable exceptions under certain circumstances.

Section 8 would expand the period for which a worker may continue to receive income support during breaks in training. Currently, a worker may not receive income support during a break in training if the break exceeds 14 days. This imposes hardships on certain workers, particularly over the winter holidays. In addition, since training is increasingly being provided through community colleges and other institutions with breaks scheduled longer than 14 days, this limitation will be increasingly problematic. The amendment would extend the break-in-training period to 30 days, which would generally accommodate training institution schedules while preserving the linkage of income support under the program to participation in training.

Section 9 would provide a training cap for the consolidated program of \$150 million. Currently, the cap for the TAA program is \$80 million and the NAFTA-TAA is \$30 million. The increase is intended to address the expansion of eligibility due to shifts in production, an expected increase in the programs take-up rate due to the Department's administrative efforts to expand outreach, and to account for the reduction in the number of training waivers expected under the revised rules.

Section 10 would eliminate a quarterly report to the Congress on training expenditures. The report appears to be of limited utility. The Department has been and will remain committed to ensuring that Congress is fully informed regarding expenditures under the program, especially where it is anticipated that the expenditures will reach the cap.

Section 11 provides for expanded coordination between the consolidated TAA program and the dislocated worker program administered under the Job Training Partnership Act and its successor, the Workforce Investment Act of 1998. Specifically, this section provides that the

coordination is to include common reporting systems and elements, including elements relating to participant data and performance outcomes. This information will facilitate enhanced cooperation between and assessments of the two programs.

In addition, this section provides that in ensuring workers are provided employment-related services, the Secretary is to ensure such services include services at one-stop career centers. These centers are being established throughout the country pursuant to the Workforce Investment Act of 1998 and will be an invaluable resource in providing information, services, and referrals to TAA participants.

Section 12 provides that the Secretary may authorize funds under this chapter to be used to provide supportive services to enable eligible workers to participate in or complete training. These services, such as transportation and child care, may be critical to facilitating a worker's participation in training and are authorized under JTPA/WIA training programs.

Section 13 contains additional conforming amendments relating to the repeal of NAFTA-TAA and revised certification requirements.

Section 14 provides that contingency funds are to be made available to the consolidated TAA program if appropriated funds are exhausted in any fiscal year. This provision does not supersede and is subject to the \$150 million cap on training expenditures. These funds are to be made available from funds in the Treasury that are not otherwise appropriated and will ensure that the commitment to provide assistance to adversely affected workers is not breached.

Section 15 would authorize appropriations of such sums as may be necessary for fiscal years 1999-2001 for trade adjustment assistance for firms under chapter 3 of title II of the Trade Act of 1974, which is administered by the Department of Commerce. This authorization period

is consistent with the authorization period for trade adjustment assistance for workers under chapter II that is provided in section 2 of this bill.

Section 16 establishes the Presidential Commission on Workers and Economic Change in the New Economy. The Commission would conduct a study of issues relating to economic dislocations and worker adjustment. This section provides that the study is to examine the impact of trade, technology, and changing work organizations; the effectiveness of existing adjustment programs and strategies; and the role of public-private partnerships. The Commission would be composed of 15 members appointed by the President and include members of Congress, workforce development professionals, educators, State agency heads, and business and labor leaders. Within 18 months of establishment, the Commission is to issue a report on the results of the study, including a compendium of best practices relating to worker adjustment, and containing any administrative or legislative recommendations.

Section 17 provides the effective date and transition provisions. Section 17(a) provides that, except where otherwise specified, the provisions of the Act are to take effect on October 1, 1999, or 90 days after enactment of this subtitle, whichever is later, in order to allow for a transitional period. Section 17(b) authorizes the Secretary to establish appropriate rules to facilitate or orderly transition from the separate TAA and NAFTA-TAA programs to the consolidated program.

DRAFT

2/8/99
IN EXPLANATION OF SUBTITLE B
ASSISTANCE REFORM ACT OF 1999

GENERAL STATEMENT
TRADE ADJUSTMENT

Subtitle B contains the "Trade Adjustment Assistance Reform Act of 1999." By combining the best features of the existing Trade Adjustment Assistance (TAA) and the NAFTA Transitional Adjustment Assistance (NAFTA-TAA) programs into a consolidated TAA program, this subtitle would provide effective, comprehensive, and timely assistance to workers adversely affected by international trade.

This legislation follows through and expands upon the commitment made by the President to improve and expand Trade Adjustment Assistance to workers. The draft bill would authorize the consolidated TAA program for two years, through fiscal year 2001. The consolidated program would expand eligibility to workers who lose their jobs due to shifts in production by their firm to other countries. Currently, TAA eligibility is restricted to workers adversely affected by imports and NAFTA-TAA is limited to workers adversely affected by imports from or shifts in production to Mexico or Canada. This expanded eligibility will ensure comprehensive assistance is available to workers who lose their jobs due to imports from or shifts in production to any foreign country.

This proposal also ensures that rapid response and basic readjustment services will be made available to workers upon the filing of a petition for TAA eligibility. These services are critical to facilitating rapid reemployment of workers and provide important information to those workers relating to the resources available at the Federal, State and local level to assist them. In addition, the legislation requires a one-third reduction in the time period for the Department of Labor to process petitions for certification of eligibility under TAA; increases the annual cap on training expenditures to \$150 million; and provides contingency funds should the program exhaust appropriated funds in any fiscal year.

The legislation also harmonizes the differing rules of the programs relating to requiring enrollment in training as a condition for receiving income support. These rules would retain the program's emphasis on linking income support to training while allowing specified, limited exceptions where appropriate to assist certain workers. In addition, the bill would assist workers by expanding the period for scheduled breaks in a training program during which a worker may continue to receive income support.

The legislation also contains provisions enhancing coordination between the consolidated TAA program and the dislocated worker program under the Job Training Partnership Act (JTPA) and the successor Workforce Investment Act of 1998. In particular, this subtitle would

significantly enhance the accountability of the consolidated program by ensuring that TAA and the dislocated worker program have common performance outcome measures and information, which would include information on the placement in employment, earnings (including wage replacement) and retention in employment of participants. The legislation would also require coordination to ensure workers have access to employment-related services available in one-stop career centers and would authorize the use of funds to provide supportive services.

The legislation also assures that information will be collected and maintained identifying the countries to which production is shifted and from which articles are imported that result in certifications and the number of certifications relating to each country. This will include information on the number of certifications relating to imports from or shifts in products to Mexico or Canada, which will assist in making eligibility determinations under related NAFTA programs and in assessing the adequacy of the consolidated program.

This legislation would build on administrative efforts already undertaken by the Department of Labor to improve adjustment assistance to workers adversely affected by foreign trade. The legislation would be supplemented by the Administration's commitment to make funds available under the National Reserve Account in the JTPA/WIA dislocated worker program to address the needs of workers in firms that are secondarily affected by international trade -- that is suppliers to directly affected firms and assemblers and final processors of articles produced by such firms. These workers would be eligible to receive the same assistance available to workers under the consolidated TAA program.

In addition, the legislation includes a provision extending the Adjustment Assistance for Firms program administered by the Department of Commerce under chapter 3 of title II of the Trade Act of 1974. Finally, the subtitle includes a provision authorizing a Presidential Commission on Workers and Economic Change in the New Economy that is consistent with the President's commitment.

Together, these reforms would provide critical assistance to help workers who lose their jobs due to international trade to obtain reemployment and ensure that all Americans can benefit from economic change.

Enclosures

Good morning Mr. Chairman and Members of the Committee.

I appreciate this opportunity to present the Administration's views on the upcoming reauthorization of the Elementary and Secondary Education Act (ESEA) of 1965. The Administration is working on a detailed reauthorization proposal that we plan to submit for your consideration next month. The Department will also soon submit to Congress several reports evaluating the implementation and impact of Title I, other ESEA programs, and Goals 2000. Today I will provide an overview of our reauthorization efforts, as well as some of our specific recommendations. If there is one overriding principle that defines what we hope to accomplish, it is to end the tyranny of low expectations and raise achievement levels for all of our young people.

Let me begin by urging the Committee to develop a single, comprehensive bill reauthorizing the Elementary and Secondary Education Act. Some have suggested a title-by-title approach that could lead to several separate bills. This concerns me, because we have worked very hard with the Congress in recent years to develop a comprehensive approach to Federal support for education reform. If our efforts are to be successful, it is very important for all the pieces to fit together, complementing and reinforcing each other to help States, school districts, and schools to make the changes needed to raise achievement for all students. This is why the Administration is developing a single, integrated reauthorization proposal, and I hope you will do the same.

I also want to point out that with the nearly simultaneous reauthorization of the Department's Office of Educational Research and Improvement, we have a unique opportunity to develop a comprehensive agenda for independent research to support improved practices and instruction in elementary and secondary education. We should make every effort to develop research-based solutions to the many challenges we face in elementary and secondary education, and to get the best information on what works into the hands of parents, teachers, principals, and superintendents across the Nation.

BACKGROUND AND ACCOMPLISHMENTS

This is, of course, this Administration's second opportunity to work with Congress on improving the ESEA. The 1994 reauthorization—the Improving America's Schools Act—took direct aim at transforming a Federal role that for too long had condoned low expectations and low standards for poor children. Along with the Goals 2000: Educate America Act, the 1994 reauthorization reflected a bipartisan effort to raise expectations for all children by helping States and school districts to set high standards and establish goals for improving student achievement. The 1994 Act included provisions to improve teaching and learning, increase flexibility and accountability for States and local school districts, strengthen parent and community involvement, and target resources to the highest poverty schools and communities.

There is strong evidence that these changes, particularly the emphasis on high standards, have helped States and school districts carry out the hard work of real education reform. States that led the way in adopting standards-based reforms—like Kentucky, Maryland, North Carolina, and Oregon—found new support from Federal programs that helped them to raise reading and math achievement. In other States, the new ESEA and Goals

2000 encouraged and supported improvements in teaching and learning tied to high standards. For example, in a very positive report on Goals 2000 by the General Accounting Office (GAO), we were most pleased that State officials described Goals 2000 as “a significant factor in promoting their education reform efforts” and a “catalyst” for change.

Signs of Progress

Partly as a result of changes at the Federal level and our new partnerships with the States, 48 States, the District of Columbia, and Puerto Rico have developed state-level standards and two States have pushed for standards at the local level. More importantly, there are promising signs of real progress toward meeting these higher standards in the classroom. The National Assessment of Educational Progress (NAEP), for example, has shown significant increases in math scores at the 4th, 8th, and 12th grades (See Chart 1). The National Education Goals Panel reported that between 1990 and 1996, 27 States significantly increased the percentage of 8th graders scoring at either the proficient or the advanced level on the NAEP math test (See Chart 2).

Tomorrow the National Center for Education Statistics will release its national report card on reading, and I understand we will see some improvement. Making sure that every child can read well and independently by the end of the 3rd grade is a key benchmark of whether or not American education is improving. This has been a very high priority for the Administration and over the past few years a strong, bipartisan consensus has emerged on the importance of helping all children master this key prerequisite for all further learning. Title I provides substantial resources to improve reading instruction, and last year, Congress on a bipartisan basis passed the Reading Excellence Act to strengthen State and local efforts to improve reading in the early grades. We also now have some 20,000 College Work-Study students serving as reading tutors.

“Leading-Edge” States

Turning from the national to the State level, individual States have made notable progress in a very short period of time (See Chart 3). North Carolina, for example, more than doubled the percentage of its 8th graders scoring at the proficient or advanced levels on the NAEP math test, from 9 percent in 1990 to 20 percent in 1996. In Texas, the percentage of 4th grade students reaching the NAEP proficient or advanced levels rose from 15 percent in 1992 to 25 percent in 1996.

The National Education Goals Panel issued a report authored by the RAND Corporation that examined experience of these two States. This report found that the “most plausible explanation” for the test-score gains was an “organizational environment and incentive structure” based on standards-based reform, defined as “an aligned system of standards, curriculum, and assessments; holding schools accountable for improvement by all students; and critical support from business.” The report also tells us that the willingness of political leaders to stay the course and continue the reform agenda, despite “changes of Governors and among legislators,” is another key element that has defined the success of these two leading States.

Many states are not yet implementing proven practices that are working in some of this Nation's "leading-edge" States. According to recent special report on accountability in *Education Week*, 36 states issue school report cards, 14 do not, and fewer than half of the parents in States that do issue report cards are aware of their existence. The report also tells us that only 19 States provide assistance to low performing schools, and only 16 States have the authority to reconstitute or close down failing schools. Only about half the States require students to demonstrate that they have met standards in order to graduate, and too many still promote students who are unprepared from grade to grade. So we have work to do.

New Flexibility at the Federal Level

The 1994 reauthorization also brought real change to the way we do business at the Department of Education. We made a very determined effort to give States and school districts greater flexibility to make innovations that help all students reach high standards. Our regulatory reform effort, for example, systematically examined every Department regulation and set very specific criteria for regulating only when absolutely necessary. The Office of Management and Budget has supported this approach, and other Federal agencies have since adopted it as a model. Under our new regulatory criteria, we found that we needed to issue regulations for only five of the programs included in the 1994 ESEA reauthorization; thus we eliminated a full two-thirds of the regulations previously covering the Elementary and Secondary Education Act.

Another major improvement was to give States the option of submitting a single, consolidated State application, instead of separate applications, for the majority of ESEA programs. Not surprisingly, every State but one has adopted this approach, which both reduces paperwork and encourages a comprehensive approach to planning for the use of Federal funds. Moreover, States now submit their single plan just once during the life of the authorization cycle, with brief yearly updates to ensure accountability. States reported in fiscal year 1996 that the consolidated application slashed paperwork requirements by 85 percent.

In addition, the Department has vigorously implemented the waiver provisions included in the 1994 reauthorization, which permit States, school districts, and schools to request waivers of statutory and regulatory requirements that present an obstacle to innovative reform efforts if there are adequate accountability safeguards in place. Our efforts included a Waiver Hot Line as well as comprehensive waiver guidance at our site on the World Wide Web.

Since the reauthorization of ESEA in 1994, the Department has received 648 requests for waivers from States and local districts and granted a total of 357 waivers. Overall, the Department has approved 55 percent and disapproved 8 percent of all waivers requested. Of the remainder, 28 percent were withdrawn largely because districts learned that they had sufficient latitude or flexibility under existing law to proceed without a waiver, demonstrating that the ESEA is more flexible than many people thought even without the waiver authority.

ED-Flex

Another approach to flexibility is the ED-Flex demonstration program, which allows the Department to give States with strong accountability mechanisms the authority to approve waivers of certain Federal statutory and regulatory requirements that stand in the way of effective reform at the local level. Congress has authorized up to 12 States to participate in ED-Flex.

We are proposing to expand ED-Flex to allow all eligible States to participate. I believe such an expansion should be considered in the context of reauthorization, our emphasis on accountability for results, and other programmatic issues. ED-Flex can be an important tool for accelerating the pace of real reform in our schools, but it must be done thoughtfully. ED-Flex cannot be used to get around established civil rights protections.

Federal Education Dollars to the Local Level

One final issue I want to touch on is the Department's performance in getting Federal education dollars to the local level, where they can do the most good. There have been a number of "dollars to the classroom" proposals over the past two years based on the assumption that the Department of Education retains a significant portion of Federal elementary and secondary appropriations to pay for administrative costs.

The truth is that over 95 percent of all the dollars appropriated by Congress for ESEA programs already go to local school districts. Almost all of the rest goes to States to provide technical assistance, to support the use of standards and assessments, and to provide oversight. If the "95 percent" figure sounds familiar, it is because some of those proposals I mentioned promise to send 95 percent of Federal dollars to the classroom.

I recognize that some may argue about whether the "local level" is the same as "the classroom." My view is that once the funds reach the local level, it is up to local elected school boards to decide how best to spend them to achieve the purposes of the programs enacted by the Congress. We in Washington should not attempt to bypass local school boards and deny them their lawful responsibility to determine how to meet the educational needs of their students.

I believe that these accomplishments—widespread adoption of challenging standards, promising achievement gains nationally and even more improvement in "leading-edge" States, and new flexibility for States and school districts—show that we were on the right track in 1994. The evidence demonstrates a clear connection between raising standards and raising student achievement. The record also shows, however, that many States and districts are still phasing in the 1994 reforms. Taken as a whole, this experience provides a compelling argument for the Administration and Congress to keep working together to help States and school districts get high standards into the classroom, and to push for improved incentives and strengthened accountability mechanisms to ensure that these reforms take hold.

THE NEXT STAGE: RAISING ACHIEVEMENT IN OUR SCHOOLS AND CLASSROOMS

Let me lay out for you the broader context for our ESEA reauthorization proposals. In 1994, we broke sharply with the past and made a significant policy shift in putting an end to the practice of giving students a watered-down curriculum. I strongly believe that the tyranny of low expectations—and it is tyranny—has been one of the great flaws of American education. We vigorously oppose the idea of “dumbing down” American education. Instead of “dumbing down,” we want to “achieve up.”

To support this effort we have developed a comprehensive, three-part strategy of (1) targeting investments to disadvantaged children, with particular attention to the early years of schooling; (2) improving teacher quality, and (3) real accountability. All these pieces need to fit together if we want to raise achievement levels.

First, our investments in the Title I, the Class-Size Reduction program, the Reading Excellence Act, education technology, and after-school programs—to name just a few—are all part of our effort to get communities and their teachers and principals the resources they need to raise achievement for all students. We have put a real emphasis on the early years of schooling because research and common sense tells you that if a young person can “master the basics” early, they get off to a much better start in their education.

We want to improve academic achievement for all students, with a special emphasis on closing the gap upward between poor and minority students and other students. This is why, for example, we are such strong supporters of reducing class size in the early grades. Research from the Tennessee STAR study demonstrated that reducing class sizes in the early grades led to higher achievement for all students, with poor and minority students showing the greatest gains.

Second, we think it is absolutely essential to put a highly qualified, dedicated teacher in every classroom in America. John Stanford, the inspiring former superintendent from Seattle who recently passed away, had this marvelous slogan that summed up his philosophy: “the victory is in the classroom.” If we are going to achieve many more victories in the classroom, we simply have to raise teacher quality and get many more certified teachers into our Title I schools. This is why we asked the Congress to create a strong teacher quality initiative in the Higher Education Act reauthorization last year. Our intent here is to make high standards part of every teacher’s daily lesson plans. I will discuss this part of our proposal in greater detail later on in my testimony.

Strengthening Accountability

Stronger accountability is the third part of our broad strategy of improvement. We believe that effective accountability measures—what business leaders call quality control measures—can make sure that our investments are used wisely and actually produce the desired results.

Much of our thinking about accountability has been informed by successful accountability initiatives at the local and State levels. The most thoughtful education leaders

at the State and local level are doing what we are proposing: they are ending social promotion, requiring school report cards, identifying low-performing schools, improving discipline in schools and classrooms, and putting in place measurable ways to make change happen, such as basic skills exams at different grade levels. They are striking a careful balance between giving schools the increased support and flexibility they need to raise achievement levels and, at the same time, holding schools accountable when they do not measure up to clearly established goals. We are trying to strike that same balance in our reauthorization proposals.

Our emphasis on accountability in ESEA, and in particular in Title I, seeks to build on, support, and encourage these growing State and local efforts to pick up the pace of standards-based reform. Here it is important to recognize that we are not talking about more regulations. We want better results. There is both a moral and a fiscal dimension to being more accountable. We cannot afford to lose the talents of one child, and we cannot waste the substantial resources entrusted to us by American taxpayers.

The “either/or” thinking that has dominated the public debate about our accountability proposals—more Federal control versus less local control—really misses the point entirely about what we seek to achieve. If a State is putting its own accountability measures into place, we are not demanding that they replace their measures with our measures. But if a State does not have such requirements in place, then it makes a good deal of sense for them to adopt our proposals. We expect States to do this because it is good education policy and the right thing to do for the children.

Our approach to increased accountability is one of graduated response, a range of options—some positive and others more prescriptive—that can help break the mold and get low-performing schools moving in a more positive direction. On the positive side of the continuum, we give school districts greater flexibility if we see that they are making progress. But if a school or a school district simply isn’t making things happen, we want to work with State and local officials to find out why and shake things up. The local school district, for example, may not be giving teachers the real professional development time they need.

If a school district is refusing to change, we are prepared to be much more specific about how it uses ESEA funding. We do not intend to be passive in the face of failure. We will help, nudge, prod, and demand action. And, if we have to, we are prepared to restrict or withhold ESEA funding.

We recognize that a complete accountability system should be multi-dimensional and include high expectations and accountability for everyone in the system. All of us are responsible for ensuring that all students reach high standards. The accountability measures in our reauthorization proposal will be designed to (1) help school districts and states provide students with a high-quality education, (2) focus on continuous improvement, and (3) hold students, teachers, principals, schools, and districts to high standards.

It is important to note that our proposed accountability measures reinforce and build on similar provisions enacted in 1994. For example, the underlying structure of the Title I accountability provisions is sound, and a minority of States are hard at work emphasizing continuous improvement and holding schools and principals accountable for results. Many

States, however, have not fully implemented the Title I provisions and have moved only tentatively to make other changes based on high standards and accountability.

We seek to speed up and strengthen the process by requiring States to take immediate action to turn around low-performing schools, to give parents annual report cards, to end social promotion, to improve teacher quality, and to have well-thought-out discipline policies in place that make a difference.

Meeting State Standards

First, we would retain the current Title I requirement that States establish assessments aligned with State content and performance standards by the 2000-2001 school year. States must also define adequate yearly progress for Title I schools and local school districts in a manner that would result in continuous progress toward meeting State standards within a reasonable time frame.

Turning Around the Lowest Performing Schools

Second, States should take immediate corrective action to turn around the lowest performing schools. Currently, there are over 6,500 schools and 1,300 school districts designated under Title I as needing improvement. These schools and districts were placed in school-improvement status after making little or no improvement over a period of two years. Many of these schools are still showing no improvement despite receiving additional support. We are saying our children have spent enough time in low-performing schools—it is time to take action now.

States should quickly identify the lowest performing schools that are failing to show improvement and provide additional support and assistance. If any school continues to show no improvement, States should take bold action such as reconstituting the school or closing the school down entirely and reopening it as a fresh new school. The Department's 2000 budget request includes a \$200 million set-aside in Title I to help jumpstart this process of State and district intervention in the lowest performing schools.

Annual Report Cards

Third, annual report cards at the State, district, and school levels should be a requirement for receiving ESEA funds. The report cards should provide invaluable information on improvement over time or the lack thereof. They should include information on student achievement, teacher quality, class size, school safety, attendance, and graduation requirements. Where appropriate, the student achievement data should be disaggregated by demographic subgroups to allow a greater focus on the gaps between disadvantaged students and other students.

For report cards to make sense they need to be easily understood by and widely distributed to parents and the public. As I indicated earlier, while 36 States already require report cards, many parents and teachers from these States say that they have never seen them. Our proposal is intended to give parents a tool they can use to join the debate over bringing

high standards into the classroom, to advocate on behalf of their children and their children's schools, and to work with teachers and principals to make improvements.

I assure you, if parents find out that their children are going to an unruly or unsafe school, there will be standing-room only at the next school board meeting and that can be a very good thing. If parents discover that test scores are down at their school but up at a nearby school, they will start asking questions and spark reform. In short, a good, honest report card gives parents a real accountability tool that allows them to make a difference in the education of their children.

Separately, we have proposed an additional test that can help parents determine if their children are measuring up: the voluntary national tests in 4th grade reading and 8th grade math. The independent, bipartisan National Assessment Governing Board (NAGB) is developing a plan for this test, in accordance with language in the Fiscal Year 1999 Appropriations Act. I ask the Committee to join me in looking carefully at this plan when NAGB announces it later in the spring.

Ending Social Promotion

Fourth, all States receiving ESEA funds should end the practice of social promotion. I want to be clear that in calling for an end to social promotion we are not encouraging school districts to retain students in grade; instead, we are asking school districts to prepare children to high standards. That is why we have pushed so hard for programs like Class Size Reduction, the Reading Excellence Act, and the 21st Century Community Learning Centers after-school initiative, which invest in the early years and help to minimize the number of children at risk of retention in grade.

Research indicates that from 10 to 15 percent of young adults who graduate from high school and have not gone further—up to 340,000 students each year—cannot balance a checkbook or write a letter to a credit card company to explain an error on a bill. In addition, about 450,000 to 500,000 young people drop out of high school between the 10th and 12th grades. These are the young people who are hurt by current practices. We need to make sure these students are given the support they need to succeed.

The President's call for an end to social promotion is designed to tell students that "performance counts," and to encourage districts and schools to take aggressive action to help all students meet promotion standards on time. States should target their efforts at key transition points, such as 4th, 8th, and 10th grades, and should use multiple measures, such as valid assessments and teacher evaluations, to determine if students have met the high standards required for promotion to the next grade. States would develop their own specific approaches to match their unique circumstances.

Strategies to end social promotion include early identification and intervention for students who need additional help—including appropriate accommodations and supports for students with disabilities. After-school and summer-school programs, for example, can provide extended learning time for students who need extra help to keep them from having to repeat an entire grade.

Ensuring Teacher Quality

Fifth, States must do more to ensure teacher quality. States receiving ESEA funds should adopt challenging competency tests for new teachers, phase out the use of uncertified teachers, and reduce the number of teachers who are teaching “out of field.” Less than two weeks ago, we released our first biannual report on Teacher Quality. In developing this report, we are making a statement that we are going to keep coming back to the issue of teacher quality again and again. The report told us that less than half of America’s teachers feel very well-prepared to teach in the modern classroom. Teachers cited four areas of concern: using technology, teaching children from diverse cultures, teaching children with disabilities, and helping limited English proficient (LEP) students (See Chart 4). This study really is a cry for help and we need to respond.

I know the Members of this Committee share our concern about teacher quality, and we want to work with you to address that concern. Research shows that qualified teachers are the most important in-school factor in improving student achievement, yet more than 30 percent of newly hired teachers are entering the teaching profession without full certification, and over 11 percent enter the field with no license at all.

Our ability to raise academic standards also is hindered by teachers teaching “out of field.” Overall, nearly 28 percent of teachers have neither an undergraduate major nor minor in their main assignment fields. Another significant concern is the practice of using teacher aides as substitutes for full-time instructors. All of these individuals are trying to do their best, but where they are being asked to take the place of a teacher we are shortchanging our students.

High-poverty urban schools are most likely to suffer from unqualified teachers. Even when urban districts succeed in hiring qualified teachers, attrition rates during the first five years often reach 50 percent. Partly as a result of difficulties in recruiting and retaining teachers, Title I schools are hiring teacher aides at twice the rate of certified teachers, and an increasing number of aides are providing direct instruction without a teacher’s supervision.

Our ESEA reauthorization proposal would begin to address these problems by ensuring that States adopt challenging competency examinations for all new teachers that would include assessments of subject-matter knowledge and teaching skills. We would also work to phase out the use of teacher aides as instructors in Title I schools, but at the same time encourage paraprofessionals to become certified teachers by supporting State and local efforts to build career ladders leading to certification. Our proposal will ensure that States make significant progress in reducing both the number of teachers with emergency certificates and the number of teachers teaching subjects for which they lack adequate preparation.

The issue of improving teacher quality is also of great importance to all of us who want to improve the education of children with disabilities. The ESEA is meant to serve all children and there are growing numbers of children with disabilities who have been successfully mainstreamed into regular classrooms. The ESEA and the Individuals with Disabilities Education Act can work together to make a real difference for many more of these children. The Teacher Quality report told us that the majority of our teachers do not feel as well-prepared as they should to teach children with disabilities. We want to work very hard to

make sure that all teachers have the skills and the tools they need to teach these children to high standards.

We made a good start in improving teacher quality last year when Congress passed—with strong bipartisan support—the new teacher recruitment and training programs in Title II of the reauthorized Higher Education Act. Our ESEA reauthorization plan would build on this success by providing resources to help States strengthen teacher-certification standards. It also will include—in the new Teacher Quality and High Standards in Every Classroom initiative—increased investment in the high-quality professional development that teachers tell us they need to help all students meet challenging new State standards.

TITLE I

I have described some of the key, crosscutting measures for getting high standards into all classrooms. Now I would like to outline some program-specific issues and recommendations, beginning with Title I, which is the largest Federal investment in elementary and secondary education. This \$7.7 billion program reaches more than 45,000 schools in over 13,000 school districts. With the expansion of schoolwide projects following the last reauthorization, the program now serves over 11 million students. In the 1996-97 school year, 36 percent of the children served were white, 30 percent were Hispanic, and 28 percent were African-American. Seventeen percent of the children served were limited English proficient.

Historically, Title I has been the single largest source of Federal funding targeted to raising the achievement levels of students in high-poverty schools and helping to close the achievement gap between these children and their more advantaged peers. The 1994 reauthorization focused on helping children in high poverty schools reach the same high standards expected of all students. In particular, States were required to develop content and performance standards in reading and math, with aligned assessments to measure student progress toward meeting the standards.

The 1994 Act also improved targeting of resources, expanded the schoolwide approach, and strengthened parental involvement. With regard to targeting, the GAO recently reported that Federal programs are much more targeted than State programs. On average, for every \$1 a State provided in education aid for each student in a district, the State provided an additional \$0.62 per poor student. In contrast, for every \$1 of Federal funding districts received for each student, they received an additional \$4.73 in Federal funding per poor student. We believe targeting works, and we recommend leaving in place the Title I allocation formula adopted by the Congress in 1994.

The 1994 Act expanded schoolwide programs by permitting schools with poor children making up at least 50 percent of their enrollment to use Title I funds in combination with other Federal, State, and local funds to upgrade the instructional program of the entire school. Since 1995, the number of schools implementing schoolwide programs has more than tripled, from about 5,000 to approximately 16,000. Our reauthorization proposal would maintain the 50-percent threshold for schoolwide programs.

Parents of Title I children are now more fully involved in their children's education through the use of parent compacts called for in the 1994 Act. I want to stress that getting parents involved in the process of school reform is often the spark that makes the difference. I have been a strong advocate of increased parental involvement in education for many years and there is a good reason for it. Parents are children's first teachers and they set the expectations that tell children how hard they should strive to achieve. Teachers tell us again and again that parents are too often the missing part of the education success equation.

If you look at the chart entitled "Making the Grade," you will see why we are placing such a strong emphasis on developing compacts between parents and schools for our Title I children (See Chart 5). Four years ago, we created the Partnership for Family Involvement in Education with 40 organizations. This Partnership has since grown to 4,700 organizations and it continues to grow quite rapidly. To give you one example of its activities, last month the Partnership sent out a detailed guide of best practices on how teachers can work better with parents.

Progress Since the 1994 Reauthorization

Current information on Title I indicates progress on several fronts. Title I has contributed to the rapid development of challenging State standards that apply to all students in Title I schools. Teachers in Title I schools are increasingly reporting that standards are helping to guide instruction. Moreover, preliminary data gathered for this reauthorization from States that have implemented the Title I standards and assessment provisions generally show increased achievement levels in high-poverty schools. For the 1997-98 school year, 7 of the 10 States with standards and aligned assessments in place for two years report increasing percentages of students meeting proficient and advanced performance standards in schools with poverty rates of at least 50 percent. These State-level data are particularly encouraging since final assessments are not required to be in place until school year 2000-2001. This and other information, including data indicating that Title I is driving higher standards to poor districts and schools, will be discussed in greater detail in the Congressionally mandated National Assessment of Title I scheduled for release in late February.

Despite these initial signs of progress, I would be the first to admit that we are not anywhere near where we need to be in turning around the thousands of low-performing high-poverty schools that are served by Title I. This is why the President is so strong for improving teacher quality and increasing accountability. We know that many States, districts, and schools are not making as much progress as we had hoped. However, we did not expect to turn around the long, sorry history of setting low expectations for our Nation's poorest children in just four years. I believe we are now on the right course in aligning Title I with the best efforts of State and local school systems. We simply need to stay the course in fitting all the pieces together to raise achievement levels.

Finally, in looking at the impact of Title I, we should keep in mind that despite its size and prominence at the Federal level, it represents about three percent of national spending on elementary and secondary education. Title I is effective only when it works in partnership with much larger State and local resources. Nevertheless, Title I can and should do more to

assist State and local efforts to raise the educational achievement level of poor and minority children, and this is what we are trying to achieve through our reauthorization proposals.

Proposed Changes to Title I

Building on what we have learned since 1994, our reauthorization proposal would continue to hold at-risk children in high-poverty schools to the same high standards expected of all children and to link Title I to State and local reforms based on high standards. We also would continue targeting resources to areas of greatest need, supporting flexibility at the local level to determine instructional practices, and encouraging more effective implementation of schoolwide programs.

Title I schools would, of course, be subject to the accountability provisions that we would apply to all ESEA programs. Specific improvements to Title I would include targeting additional resources to help the lowest achieving schools and phasing out the use of teacher aides as instructors in Title I schools. We also would strengthen the schoolwide authority by borrowing some of the successful features of the Comprehensive School Reform Demonstration program, such as basing reforms on solid research about what works. And in response to a key recommendation of the reading study conducted by the National Academy of Sciences (NAS), we are proposing the use of diagnostic assessments in the first grade to ensure the early identification of children with reading difficulties. In addition to these proposals, we are giving serious consideration to phasing in a set-aside within Title I for professional development aligned to standards.

Separately, we support the continuation of the Comprehensive School Reform Demonstration program, which we believe is generating some good models for improving the effectiveness of the broader Title I program and for strengthening both Title I and non-Title I schools.

The Department also is considering proposals to promote high quality professional development for early childhood educators and others to help children develop better language and literacy skills in the early years. The NAS's reading study presented strong evidence that children who receive enrichment services focused on language and cognitive development in early childhood show significantly higher reading achievement in the later elementary and middle school years. We believe that professional development based on recent research on child language and literacy development—including strategies that could be shared with parents—could make a significant contribution toward the goal of ensuring that every child can read well by the end of the 3rd grade. Our proposal would target those children most at risk of experiencing difficulty in learning to read by working with early childhood educators in Head Start and Title I pre-K programs.

QUALITY TEACHERS AND HIGH STANDARDS IN EVERY CLASSROOM

While every State has developed high standards, States and districts now need significant support to continue the hard work of turning these high expectations into classroom realities. This is why we are proposing a new initiative called Quality Teachers and High Standards in Every Classroom. This initiative would help States and school districts

continue the work of aligning instruction with State standards and assessments, while focusing most resources on improving teacher quality through high-quality professional development. Our proposal would build on and succeed the current Goals 2000, Title II, and Title VI programs.

The National Commission on Teaching and America's Future found that the biggest impediment to improving teaching was the lack of access to the kinds of knowledge and skills teachers need to help students succeed. We know from the Commission's report that most school districts do not direct their professional development funds in a coherent way toward sustained, standards-based, practical, and useful learning opportunities for teachers. We need to provide teachers with opportunities to change instructional practices in order to ensure that all children are taught to high standards.

Just as we have real concerns about improving teacher quality, we need to recognize the growing shortage of qualified principals. I was struck by a recent article in *The Washington Post*, which indicated that about 50 percent of all schools face a shortage of qualified principal candidates. That is a very heavy statistic.

Unfortunately, we have not done enough to support the professional growth of teachers and principals. Currently, most school districts spend less than three percent of their budgets on professional development, while our best private companies spend as much as 10 percent to ensure that their employees have quality training and keep current in their work. If we expect the best from our students, we need to ensure that we are giving our teachers the best support possible. And, we know it works. In New York City's District 2, former Superintendent Tony Alvarado made major investments in professional development—investments that paid off in marked improvement in student achievement.

The 1994 reauthorization included a greater focus on research-based principles of professional development in the Eisenhower Professional Development program. Despite this emphasis, recent evaluations of the Eisenhower professional development program found that most districts did not receive enough funding to support the kind of on-going, intensive professional development that works best to improve teaching skills.

As we move into the next phase of getting high standards into schools and classrooms, we must give States and districts the flexibility they need to strengthen their local efforts to implement standards and to improve teacher quality. States could use these funds to continue the development of standards and assessments and provide leadership to districts working to align instruction with these standards and assessments and to improve professional development for teachers. School districts would use their funds to implement standards in schools and to invest in professional development in core subject areas, with a priority on science and mathematics.

States and districts would also be able to use these funds to meet new ESEA teacher quality requirements related to the implementation and improvement of competency-based assessments for initial licensure, the reduction of the number of teachers on emergency credentials, and the reduction of the number of teachers teaching out of field.

Funds would be used to advance teacher understanding and use of best instructional practices in one or more of the core academic content areas, with a primary focus on math and science. The initiative also is designed to complement the strong emphasis on professional development throughout our ESEA reauthorization proposal, including Title I, the Reading Excellence Act, and Title VII.

We would support activities to assist new teachers during their first three years in classroom, including additional time for course preparation and lesson planning, mentoring and coaching by trained mentor teachers, observing and consulting with veteran teachers, and team-teaching with veteran teachers.

Veteran teachers would be encouraged to participate in collaborative professional development based on the standards developed by the National Board for Professional Teaching Standards. The initiative also would support district-wide professional development plans designed to help students meet State academic standards, the integration of educational technology into classroom practice, and efforts to develop the next generation of principals.

SAFE, DISCIPLINED, AND DRUG-FREE SCHOOLS

The Administration's plans for reauthorizing the Safe and Drug-Free Schools and Communities Act have actually taken shape over the past few years in our annual budget requests. These proposals have been designed to strengthen the program by improving accountability and by targeting funds to local educational agencies with (1) significant drug and violence prevention problems and (2) high-quality, research-based programs to address those problems.

Our reauthorization proposal would build on these earlier efforts by emphasizing a schoolwide approach to drug and violence prevention. All school districts receiving funds would be required to develop a comprehensive Safe and Drug-Free Schools plan to ensure that they have a drug-free, safe, and disciplined learning environment. These plans would include fair and effective discipline policies, safe passage to and from schools, effective research-based drug and violence prevention policies, and links to after-school programs. These plans would also have to reflect the "principles of effectiveness" that the Department recently established, which include the adoption of research-based strategies, setting measurable goals and objectives for drug and violence prevention, and regular evaluation of progress toward these goals and objectives.

Program funds would be distributed in larger, more effective grants, because our proposal would require States to award competitive grants to a limited number of high-need districts. Program evaluations have consistently found that the current practice of allocating funds by formula to all districts spreads funds too thinly to have a significant impact in most districts. For example, about three-fifths of districts currently receive grants of less than \$10,000, with the average grant providing only about \$5 per student.

Our reauthorization plan also would continue the Safe Schools/Healthy Students program, an interagency initiative that provides competitive grants to help school districts and communities to develop and implement comprehensive, community-wide strategies for creating safe and drug-free schools and for promoting healthy childhood development.

Similarly, the Safe and Drug-Free Schools Coordinator Initiative would be continued under our proposal.

We also will propose to authorize the Department to provide emergency services, especially mental health and counseling services, to schools affected by the kind of violence we saw last year in Arkansas, Kentucky, Mississippi, Oregon, and Pennsylvania. This is the \$12 million Project SERV (School Emergency Response to Violence) initiative included in the President's 2000 budget request. Our reauthorization plan also would set aside a small amount of funding at the State level to support similar emergency response activities.

EDUCATIONAL TECHNOLOGY

Since the creation of Title III in the last ESEA reauthorization, the Federal government has helped States and school districts make significant progress in bringing technology into the classroom and making sure that teachers are prepared to effectively integrate technology throughout the curriculum.

With the support of Congress, the Department has delivered over \$1 billion to States through the Technology Literacy Challenge Fund. This investment is helping to increase the number of classrooms connected to the Internet—just 27 percent in 1997—and has helped decrease the student-computer ratio from 38 students per multimedia computer to 13 students per multimedia computer.

By early March, \$1.9 billion dollars in E-Rate discounts will be provided to the Nation's schools and libraries. This means that over the summer, the number of poor schools that are connected to the Internet will rise dramatically. These discounts will also provide affordable access to advanced telecommunications and ensure that all of our schools are active participants in the technological revolution.

To reduce the "digital divide" that could widen the achievement gap between disadvantaged students and their wealthier peers, we propose to strengthen the targeting provisions of the Technology Literacy Challenge Fund. Just 63 percent of high-poverty schools had connections to the Internet in 1998, compared to 88 percent of low-poverty schools. The disparity is even greater at the classroom level, with only 14 percent of classrooms connected to the Internet in high-poverty schools, compared to 34 percent of classrooms in low-poverty schools.

Federal dollars are helping to narrow this digital divide. High-poverty schools received over two-and-one-half times more new computers than their low-poverty counterparts in recent years. We will make a special effort to address the needs of rural America, where technologies like distance learning can make a real difference, and to coordinate ESEA technology programs with the Individuals with Disabilities Education Act Technology Development Program, which expands access to innovations in technology to students with disabilities.

Helping teachers integrate technology into their daily lesson plans will be another special focus. Currently, only 20 percent of our teachers feel qualified to integrate technology throughout the curriculum. The reauthorization proposal for Title III will focus on supporting

State and local efforts to improve teacher quality, with a priority for developing partnerships between local school districts, institutes of higher education, and other entities.

We also want to strengthen our evaluation efforts to find proven and promising models of how technology is improving achievement that we can bring to scale.

SUPPORTING STUDENTS WITH LIMITED ENGLISH PROFICIENCY

Students with limited English proficiency (LEP) are the fastest growing population served by the Elementary and Secondary Education Act. According to State educational agency data, the number of LEP students grew 67 percent between the 1990-91 and 1996-97 academic years.

Growing numbers of LEP students are in States and communities that have little prior experience in serving them. For example, between the 1992-93 and 1996-97 school years, the LEP population more than doubled in Alabama, Alaska, Florida, Idaho, Nebraska, Nevada, North Carolina, Oregon, South Carolina, and Tennessee.

The President's goal is to hold schools accountable for ensuring that LEP students can speak and read English after three consecutive years in our schools. We are equally committed to ensuring that LEP students reach challenging academic standards in all content areas. We also want to assure that States and school districts have the flexibility they need to provide the most appropriate instruction for each child.

I told you earlier that we cannot afford to waste the talents of one child. One of America's greatest strengths has always been her diversity of peoples. Today, immigrants and their children are revitalizing our cities, energizing our culture, and building up our economy. We have a responsibility to make them welcome here and to help them enter the mainstream of American life.

Our reauthorization proposal for the Title VII bilingual education provisions seeks to achieve these goals by emphasizing the same two key strategies we are pursuing throughout the ESEA: improving teacher quality and strengthening accountability.

To increase teacher quality, for example, all institutions of higher education applying for Title VII grants would be required to show that their teacher education programs include preparation for all teachers serving LEP students.

To strengthen accountability, we would require both Title VII grantees and Title I schools to annually assess the progress of LEP students in attaining English proficiency. These assessments will be used to inform parents of their children's progress and to help schools improve instruction.

LEP students who have been in U.S. schools for less than three years would continue to be included in the Title I assessment system, but after three years reading assessments would be conducted in English. Schools and districts would be held responsible, as part of the larger ESEA accountability provisions, for ensuring that LEP students reach the three-year English language proficiency goal.

I also believe that America's children need to become much more fluent in other languages. We are very far behind other nations when it comes to giving our students a mastery of other languages. There are teenagers in Europe who can easily speak three languages. I am certain we can do a much better job at giving our students both a mastery of English and fluency in at least one foreign language. There are currently over 200 two-way bilingual education programs that teach English and a foreign language and allow all students to truly develop proficiency in both languages.

EXCELLENCE AND OPPORTUNITY IN PUBLIC EDUCATION

As I travel around the country visiting schools, I continue to see the spark of innovation and creativity in many public schools. Public education is changing quite rapidly at the ground level and offering parents many more options in the terms of the type of schools their children can attend and the courses they can take.

This Administration is a strong advocate of public school choice as a way to encourage and stimulate the creative efforts of school districts to give parents the opportunity to find a school that best fits the needs of their children. Some discussions about choice suggest that there is choice only outside of public education. Well, that is an assumption that I want to challenge because it really has no basis in fact.

You can go to school district after school district and find schools-within-schools, magnet schools, school-to-work initiatives, high schools collaborating with local colleges, and option and theme schools that focus in on specialized fields like the environment, the visual and performing arts, communications and technology, back-to-basics, classical studies, marine science, accelerated learning, the international baccalaureate, finance, and medical sciences.

There is a great deal of variety in public education at the local level, from alternative schools to community-based learning efforts, to schools-without-walls, to public schools that focus in on the core-knowledge approach to education. There are public school districts like Seattle that have a completely open choice model and many other school districts that offer intra-district choice, inter-district choice, and controlled choice. Critics of public education would do well to recognize that many public school districts are far more in touch with parents than they think and are giving parents the choices they seek.

I want to stress that one of the most important choices that parents can make about a child's education is the choice of subjects and not schools. We have a growing body of research showing that courses students choose in middle and high school are powerful predictors of success—from mastery of high-level math to gaining entrance to top colleges and universities. The best schools in America—whether they are public, private or parochial—all share something in common: they place a strong emphasis on a rigorous and engaging academic program. This is what makes these schools distinctive, and it is what makes them work.

That is why President Clinton has spent six years advocating the idea that by raising standards, exciting families about their children's education, and putting quality teachers into

every classroom, we can raise achievement for many, many more of our students—and indeed, someday soon, hopefully all of our students. That is the best public policy for us to support. Private school voucher programs affect only a small number of students, divert us from our goal of high standards for all children, and take scarce resources from the public schools that serve around 90 percent of America's children.

While the Administration strongly opposes efforts to divert public funds to private schools through vouchers or similar proposals, we want to encourage the development of new choices within the public school system. This is why we worked very closely with Congress to reauthorize the Charter School legislation that fosters creativity with accountability.

This year we are proposing a new choice authority that would help us identify and support new approaches to public school choice, such as inter-district magnet schools and worksite schools, and promote a new, broader version of choice that works within all public schools.

We are interested in promoting public school choice programs in which the schools and programs are public and accountable for results, are genuinely open and accessible to all students, and promote high standards for all students. There are many successful public schools that can provide models for improving low-performing schools, and one of our goals must be to find ways to help States and local school districts to replicate these successful models by leveraging “what works” for our children's education.

MODERNIZING SCHOOLS FOR THE 21ST CENTURY

An additional priority for the Administration is to help communities build and renovate the school buildings they will need to help all students reach challenging standards. The General Accounting Office has reported that States and school districts face over \$112 billion in repairs to existing schools. In addition, many schools face severe overcrowding as a result of the “baby boom echo.”

The Administration is proposing \$25 billion in bonding authority to finance the construction or renovation of up to 6,000 schools. As part of the President's tax legislation, the Federal government will provide bondholders with tax credits in lieu of interest payments. State and local bond issuers will be responsible for repayment of principal. In addition, through the reauthorized ESEA, we would make grants to involve citizens in designing schools that reflect the needs of the entire community. The President's 2000 budget would provide \$10 million for these grants under the Fund for the Improvement of Education.

CONCLUSION

These are just the highlights of a comprehensive reauthorization proposal that will span a dozen or so titles affecting nearly every area of Federal support for the Nation's elementary and secondary schools. I encourage you to give careful consideration to our full proposal when it is completed next month, and I look forward to discussing the specific details of our plan as your work on your legislation.

The framework for all of our thinking is the clear recognition that the days of “dumbing down” American education are over. We want to “achieve up” and raise expectations for all of our young people. As I have said so many times before, our children are smarter than we think. We can and surely will debate the merits of the policy ideas that we are putting forward today and that is healthy. Let us find common ground, however, around the idea that we have both a moral and social obligation to give the poorest of our young people the help they need to get a leg-up in life and be part of the American success story.

As I travel around the country visiting schools, I really do get a sense that things are happening, that a very strong consensus has developed about what needs to be done to improve our schools. All the elements are coming together: a new emphasis on early childhood, better reading skills, high expectations for all of our young people, and accountability for results. We are moving in the right direction and we need to stay the course to get results and always remember that “the victory is in the classroom.”

In conclusion, I want assure you that the Administration is prepared to work with the Congress to help and support local and State educators and leaders who are striving to raise achievement levels. I hope that in the process, a new bipartisan spirit can evolve around education issues. The last few years have been somewhat contentious here in Washington, and we need to give a better account of ourselves to the American people.

I will be happy to take any questions you may have.

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Good morning Mr. Chairman and Members of the Committee.

I appreciate this opportunity to present the Administration's views on the upcoming reauthorization of the Elementary and Secondary Education Act (ESEA) of 1965. The Administration is working on a detailed reauthorization proposal that we plan to submit for your consideration next month. The Department will also soon submit to Congress several reports evaluating the implementation and impact of Title I, other ESEA programs, and Goals 2000. Today I will provide an overview of our reauthorization efforts, as well as some of our specific recommendations. If there is one overriding principle that defines what we hope to accomplish, it is to end the tyranny of low expectations and raise achievement levels for all of our young people.

Let me begin by urging the Committee to develop a single, comprehensive bill reauthorizing the Elementary and Secondary Education Act. Some have suggested a title-by-title approach that could lead to several separate bills. This concerns me, because we have worked very hard with the Congress in recent years to develop a comprehensive approach to Federal support for education reform. If our efforts are to be successful, it is very important for all the pieces to fit together, complementing and reinforcing each other to help States, school districts, and schools to make the changes needed to raise achievement for all students. This is why the Administration is developing a single, integrated reauthorization proposal, and I hope you will do the same.

I also want to point out that with the nearly simultaneous reauthorization of the Department's Office of Educational Research and Improvement, we have a unique opportunity to develop a comprehensive agenda for independent research to support improved practices and instruction in elementary and secondary education. We should make every effort to develop research-based solutions to the many challenges we face in elementary and secondary education, and to get the best information on what works into the hands of parents, teachers, principals, and superintendents across the Nation.

BACKGROUND AND ACCOMPLISHMENTS

This is, of course, this Administration's second opportunity to work with Congress on improving the ESEA. The 1994 reauthorization—the Improving America's Schools Act—took direct aim at transforming a Federal role that for too long had condoned low expectations and low standards for poor children. Along with the Goals 2000: Educate America Act, the 1994 reauthorization reflected a bipartisan effort to raise expectations for all children by helping States and school districts to set high standards and establish goals for improving student achievement. The 1994 Act included provisions to improve teaching and learning, increase flexibility and accountability for States and local school districts, strengthen parent and community involvement, and target resources to the highest poverty schools and communities.

There is strong evidence that these changes, particularly the emphasis on high standards, have helped States and school districts carry out the hard work of real education reform. States that led the way in adopting standards-based reforms—like Kentucky, Maryland, North Carolina, and Oregon—found new support from Federal programs that helped them to raise reading and math achievement. In other States, the new ESEA and Goals

2000 encouraged and supported improvements in teaching and learning tied to high standards. For example, in a very positive report on Goals 2000 by the General Accounting Office (GAO), we were most pleased that State officials described Goals 2000 as “a significant factor in promoting their education reform efforts” and a “catalyst” for change.

Signs of Progress

Partly as a result of changes at the Federal level and our new partnerships with the States, 48 States, the District of Columbia, and Puerto Rico have developed state-level standards and two States have pushed for standards at the local level. More importantly, there are promising signs of real progress toward meeting these higher standards in the classroom. The National Assessment of Educational Progress (NAEP), for example, has shown significant increases in math scores at the 4th, 8th, and 12th grades (See Chart 1). The National Education Goals Panel reported that between 1990 and 1996, 27 States significantly increased the percentage of 8th graders scoring at either the proficient or the advanced level on the NAEP math test (See Chart 2).

Tomorrow the National Center for Education Statistics will release its national report card on reading, and I understand we will see some improvement. Making sure that every child can read well and independently by the end of the 3rd grade is a key benchmark of whether or not American education is improving. This has been a very high priority for the Administration and over the past few years a strong, bipartisan consensus has emerged on the importance of helping all children master this key prerequisite for all further learning. Title I provides substantial resources to improve reading instruction, and last year, Congress on a bipartisan basis passed the Reading Excellence Act to strengthen State and local efforts to improve reading in the early grades. We also now have some 20,000 College Work-Study students serving as reading tutors.

“Leading-Edge” States

Turning from the national to the State level, individual States have made notable progress in a very short period of time (See Chart 3). North Carolina, for example, more than doubled the percentage of its 8th graders scoring at the proficient or advanced levels on the NAEP math test, from 9 percent in 1990 to 20 percent in 1996. In Texas, the percentage of 4th grade students reaching the NAEP proficient or advanced levels rose from 15 percent in 1992 to 25 percent in 1996.

The National Education Goals Panel issued a report authored by the RAND Corporation that examined experience of these two States. This report found that the “most plausible explanation” for the test-score gains was an “organizational environment and incentive structure” based on standards-based reform, defined as “an aligned system of standards, curriculum, and assessments; holding schools accountable for improvement by all students; and critical support from business.” The report also tells us that the willingness of political leaders to stay the course and continue the reform agenda, despite “changes of Governors and among legislators,” is another key element that has defined the success of these two leading States.

Many states are not yet implementing proven practices that are working in some of this Nation's "leading-edge" States. According to recent special report on accountability in *Education Week*, 36 states issue school report cards, 14 do not, and fewer than half of the parents in States that do issue report cards are aware of their existence. The report also tells us that only 19 States provide assistance to low performing schools, and only 16 States have the authority to reconstitute or close down failing schools. Only about half the States require students to demonstrate that they have met standards in order to graduate, and too many still promote students who are unprepared from grade to grade. So we have work to do.

New Flexibility at the Federal Level

The 1994 reauthorization also brought real change to the way we do business at the Department of Education. We made a very determined effort to give States and school districts greater flexibility to make innovations that help all students reach high standards. Our regulatory reform effort, for example, systematically examined every Department regulation and set very specific criteria for regulating only when absolutely necessary. The Office of Management and Budget has supported this approach, and other Federal agencies have since adopted it as a model. Under our new regulatory criteria, we found that we needed to issue regulations for only five of the programs included in the 1994 ESEA reauthorization; thus we eliminated a full two-thirds of the regulations previously covering the Elementary and Secondary Education Act.

Another major improvement was to give States the option of submitting a single, consolidated State application, instead of separate applications, for the majority of ESEA programs. Not surprisingly, every State but one has adopted this approach, which both reduces paperwork and encourages a comprehensive approach to planning for the use of Federal funds. Moreover, States now submit their single plan just once during the life of the authorization cycle, with brief yearly updates to ensure accountability. States reported in fiscal year 1996 that the consolidated application slashed paperwork requirements by 85 percent.

In addition, the Department has vigorously implemented the waiver provisions included in the 1994 reauthorization, which permit States, school districts, and schools to request waivers of statutory and regulatory requirements that present an obstacle to innovative reform efforts if there are adequate accountability safeguards in place. Our efforts included a Waiver Hot Line as well as comprehensive waiver guidance at our site on the World Wide Web.

Since the reauthorization of ESEA in 1994, the Department has received 648 requests for waivers from States and local districts and granted a total of 357 waivers. Overall, the Department has approved 55 percent and disapproved 8 percent of all waivers requested. Of the remainder, 28 percent were withdrawn largely because districts learned that they had sufficient latitude or flexibility under existing law to proceed without a waiver, demonstrating that the ESEA is more flexible than many people thought even without the waiver authority.

ED-Flex

Another approach to flexibility is the ED-Flex demonstration program, which allows the Department to give States with strong accountability mechanisms the authority to approve waivers of certain Federal statutory and regulatory requirements that stand in the way of effective reform at the local level. Congress has authorized up to 12 States to participate in ED-Flex.

We are proposing to expand ED-Flex to allow all eligible States to participate. I believe such an expansion should be considered in the context of reauthorization, our emphasis on accountability for results, and other programmatic issues. ED-Flex can be an important tool for accelerating the pace of real reform in our schools, but it must be done thoughtfully. ED-Flex cannot be used to get around established civil rights protections.

Federal Education Dollars to the Local Level

One final issue I want to touch on is the Department's performance in getting Federal education dollars to the local level, where they can do the most good. There have been a number of "dollars to the classroom" proposals over the past two years based on the assumption that the Department of Education retains a significant portion of Federal elementary and secondary appropriations to pay for administrative costs.

The truth is that over 95 percent of all the dollars appropriated by Congress for ESEA programs already go to local school districts. Almost all of the rest goes to States to provide technical assistance, to support the use of standards and assessments, and to provide oversight. If the "95 percent" figure sounds familiar, it is because some of those proposals I mentioned promise to send 95 percent of Federal dollars to the classroom.

I recognize that some may argue about whether the "local level" is the same as "the classroom." My view is that once the funds reach the local level, it is up to local elected school boards to decide how best to spend them to achieve the purposes of the programs enacted by the Congress. We in Washington should not attempt to bypass local school boards and deny them their lawful responsibility to determine how to meet the educational needs of their students.

I believe that these accomplishments—widespread adoption of challenging standards, promising achievement gains nationally and even more improvement in "leading-edge" States, and new flexibility for States and school districts—show that we were on the right track in 1994. The evidence demonstrates a clear connection between raising standards and raising student achievement. The record also shows, however, that many States and districts are still phasing in the 1994 reforms. Taken as a whole, this experience provides a compelling argument for the Administration and Congress to keep working together to help States and school districts get high standards into the classroom, and to push for improved incentives and strengthened accountability mechanisms to ensure that these reforms take hold.

THE NEXT STAGE: RAISING ACHIEVEMENT IN OUR SCHOOLS AND CLASSROOMS

Let me lay out for you the broader context for our ESEA reauthorization proposals. In 1994, we broke sharply with the past and made a significant policy shift in putting an end to the practice of giving students a watered-down curriculum. I strongly believe that the tyranny of low expectations—and it is tyranny—has been one of the great flaws of American education. We vigorously oppose the idea of “dumbing down” American education. Instead of “dumbing down,” we want to “achieve up.”

To support this effort we have developed a comprehensive, three-part strategy of (1) targeting investments to disadvantaged children, with particular attention to the early years of schooling; (2) improving teacher quality, and (3) real accountability. All these pieces need to fit together if we want to raise achievement levels.

First, our investments in the Title I, the Class-Size Reduction program, the Reading Excellence Act, education technology, and after-school programs—to name just a few—are all part of our effort to get communities and their teachers and principals the resources they need to raise achievement for all students. We have put a real emphasis on the early years of schooling because research and common sense tells you that if a young person can “master the basics” early, they get off to a much better start in their education.

We want to improve academic achievement for all students, with a special emphasis on closing the gap upward between poor and minority students and other students. This is why, for example, we are such strong supporters of reducing class size in the early grades. Research from the Tennessee STAR study demonstrated that reducing class sizes in the early grades led to higher achievement for all students, with poor and minority students showing the greatest gains.

Second, we think it is absolutely essential to put a highly qualified, dedicated teacher in every classroom in America. John Stanford, the inspiring former superintendent from Seattle who recently passed away, had this marvelous slogan that summed up his philosophy: “the victory is in the classroom.” If we are going to achieve many more victories in the classroom, we simply have to raise teacher quality and get many more certified teachers into our Title I schools. This is why we asked the Congress to create a strong teacher quality initiative in the Higher Education Act reauthorization last year. Our intent here is to make high standards part of every teacher’s daily lesson plans. I will discuss this part of our proposal in greater detail later on in my testimony.

Strengthening Accountability

Stronger accountability is the third part of our broad strategy of improvement. We believe that effective accountability measures—what business leaders call quality control measures—can make sure that our investments are used wisely and actually produce the desired results.

Much of our thinking about accountability has been informed by successful accountability initiatives at the local and State levels. The most thoughtful education leaders

at the State and local level are doing what we are proposing: they are ending social promotion, requiring school report cards, identifying low-performing schools, improving discipline in schools and classrooms, and putting in place measurable ways to make change happen, such as basic skills exams at different grade levels. They are striking a careful balance between giving schools the increased support and flexibility they need to raise achievement levels and, at the same time, holding schools accountable when they do not measure up to clearly established goals. We are trying to strike that same balance in our reauthorization proposals.

Our emphasis on accountability in ESEA, and in particular in Title I, seeks to build on, support, and encourage these growing State and local efforts to pick up the pace of standards-based reform. Here it is important to recognize that we are not talking about more regulations. We want better results. There is both a moral and a fiscal dimension to being more accountable. We cannot afford to lose the talents of one child, and we cannot waste the substantial resources entrusted to us by American taxpayers.

The “either/or” thinking that has dominated the public debate about our accountability proposals—more Federal control versus less local control—really misses the point entirely about what we seek to achieve. If a State is putting its own accountability measures into place, we are not demanding that they replace their measures with our measures. But if a State does not have such requirements in place, then it makes a good deal of sense for them to adopt our proposals. We expect States to do this because it is good education policy and the right thing to do for the children.

Our approach to increased accountability is one of graduated response, a range of options—some positive and others more prescriptive—that can help break the mold and get low-performing schools moving in a more positive direction. On the positive side of the continuum, we give school districts greater flexibility if we see that they are making progress. But if a school or a school district simply isn’t making things happen, we want to work with State and local officials to find out why and shake things up. The local school district, for example, may not be giving teachers the real professional development time they need.

If a school district is refusing to change, we are prepared to be much more specific about how it uses ESEA funding. We do not intend to be passive in the face of failure. We will help, nudge, prod, and demand action. And, if we have to, we are prepared to restrict or withhold ESEA funding.

We recognize that a complete accountability system should be multi-dimensional and include high expectations and accountability for everyone in the system. All of us are responsible for ensuring that all students reach high standards. The accountability measures in our reauthorization proposal will be designed to (1) help school districts and states provide students with a high-quality education, (2) focus on continuous improvement, and (3) hold students, teachers, principals, schools, and districts to high standards.

It is important to note that our proposed accountability measures reinforce and build on similar provisions enacted in 1994. For example, the underlying structure of the Title I accountability provisions is sound, and a minority of States are hard at work emphasizing continuous improvement and holding schools and principals accountable for results. Many

States, however, have not fully implemented the Title I provisions and have moved only tentatively to make other changes based on high standards and accountability.

We seek to speed up and strengthen the process by requiring States to take immediate action to turn around low-performing schools, to give parents annual report cards, to end social promotion, to improve teacher quality, and to have well-thought-out discipline policies in place that make a difference.

Meeting State Standards

First, we would retain the current Title I requirement that States establish assessments aligned with State content and performance standards by the 2000-2001 school year. States must also define adequate yearly progress for Title I schools and local school districts in a manner that would result in continuous progress toward meeting State standards within a reasonable time frame.

Turning Around the Lowest Performing Schools

Second, States should take immediate corrective action to turn around the lowest performing schools. Currently, there are over 6,500 schools and 1,300 school districts designated under Title I as needing improvement. These schools and districts were placed in school-improvement status after making little or no improvement over a period of two years. Many of these schools are still showing no improvement despite receiving additional support. We are saying our children have spent enough time in low-performing schools—it is time to take action now.

States should quickly identify the lowest performing schools that are failing to show improvement and provide additional support and assistance. If any school continues to show no improvement, States should take bold action such as reconstituting the school or closing the school down entirely and reopening it as a fresh new school. The Department's 2000 budget request includes a \$200 million set-aside in Title I to help jumpstart this process of State and district intervention in the lowest performing schools.

Annual Report Cards

Third, annual report cards at the State, district, and school levels should be a requirement for receiving ESEA funds. The report cards should provide invaluable information on improvement over time or the lack thereof. They should include information on student achievement, teacher quality, class size, school safety, attendance, and graduation requirements. Where appropriate, the student achievement data should be disaggregated by demographic subgroups to allow a greater focus on the gaps between disadvantaged students and other students.

For report cards to make sense they need to be easily understood by and widely distributed to parents and the public. As I indicated earlier, while 36 States already require report cards, many parents and teachers from these States say that they have never seen them. Our proposal is intended to give parents a tool they can use to join the debate over bringing

high standards into the classroom, to advocate on behalf of their children and their children's schools, and to work with teachers and principals to make improvements.

I assure you, if parents find out that their children are going to an unruly or unsafe school, there will be standing-room only at the next school board meeting and that can be a very good thing. If parents discover that test scores are down at their school but up at a nearby school, they will start asking questions and spark reform. In short, a good, honest report card gives parents a real accountability tool that allows them to make a difference in the education of their children.

Separately, we have proposed an additional test that can help parents determine if their children are measuring up: the voluntary national tests in 4th grade reading and 8th grade math. The independent, bipartisan National Assessment Governing Board (NAGB) is developing a plan for this test, in accordance with language in the Fiscal Year 1999 Appropriations Act. I ask the Committee to join me in looking carefully at this plan when NAGB announces it later in the spring.

Ending Social Promotion

Fourth, all States receiving ESEA funds should end the practice of social promotion. I want to be clear that in calling for an end to social promotion we are not encouraging school districts to retain students in grade; instead, we are asking school districts to prepare children to high standards. That is why we have pushed so hard for programs like Class Size Reduction, the Reading Excellence Act, and the 21st Century Community Learning Centers after-school initiative, which invest in the early years and help to minimize the number of children at risk of retention in grade.

Research indicates that from 10 to 15 percent of young adults who graduate from high school and have not gone further—up to 340,000 students each year—cannot balance a checkbook or write a letter to a credit card company to explain an error on a bill. In addition, about 450,000 to 500,000 young people drop out of high school between the 10th and 12th grades. These are the young people who are hurt by current practices. We need to make sure these students are given the support they need to succeed.

The President's call for an end to social promotion is designed to tell students that "performance counts," and to encourage districts and schools to take aggressive action to help all students meet promotion standards on time. States should target their efforts at key transition points, such as 4th, 8th, and 10th grades, and should use multiple measures, such as valid assessments and teacher evaluations, to determine if students have met the high standards required for promotion to the next grade. States would develop their own specific approaches to match their unique circumstances.

Strategies to end social promotion include early identification and intervention for students who need additional help—including appropriate accommodations and supports for students with disabilities. After-school and summer-school programs, for example, can provide extended learning time for students who need extra help to keep them from having to repeat an entire grade.

Ensuring Teacher Quality

Fifth, States must do more to ensure teacher quality. States receiving ESEA funds should adopt challenging competency tests for new teachers, phase out the use of uncertified teachers, and reduce the number of teachers who are teaching “out of field.” Less than two weeks ago, we released our first biannual report on Teacher Quality. In developing this report, we are making a statement that we are going to keep coming back to the issue of teacher quality again and again. The report told us that less than half of America’s teachers feel very well-prepared to teach in the modern classroom. Teachers cited four areas of concern: using technology, teaching children from diverse cultures, teaching children with disabilities, and helping limited English proficient (LEP) students (See Chart 4). This study really is a cry for help and we need to respond.

I know the Members of this Committee share our concern about teacher quality, and we want to work with you to address that concern. Research shows that qualified teachers are the most important in-school factor in improving student achievement, yet more than 30 percent of newly hired teachers are entering the teaching profession without full certification, and over 11 percent enter the field with no license at all.

Our ability to raise academic standards also is hindered by teachers teaching “out of field.” Overall, nearly 28 percent of teachers have neither an undergraduate major nor minor in their main assignment fields. Another significant concern is the practice of using teacher aides as substitutes for full-time instructors. All of these individuals are trying to do their best, but where they are being asked to take the place of a teacher we are shortchanging our students.

High-poverty urban schools are most likely to suffer from unqualified teachers. Even when urban districts succeed in hiring qualified teachers, attrition rates during the first five years often reach 50 percent. Partly as a result of difficulties in recruiting and retaining teachers, Title I schools are hiring teacher aides at twice the rate of certified teachers, and an increasing number of aides are providing direct instruction without a teacher’s supervision.

Our ESEA reauthorization proposal would begin to address these problems by ensuring that States adopt challenging competency examinations for all new teachers that would include assessments of subject-matter knowledge and teaching skills. We would also work to phase out the use of teacher aides as instructors in Title I schools, but at the same time encourage paraprofessionals to become certified teachers by supporting State and local efforts to build career ladders leading to certification. Our proposal will ensure that States make significant progress in reducing both the number of teachers with emergency certificates and the number of teachers teaching subjects for which they lack adequate preparation.

The issue of improving teacher quality is also of great importance to all of us who want to improve the education of children with disabilities. The ESEA is meant to serve all children and there are growing numbers of children with disabilities who have been successfully mainstreamed into regular classrooms. The ESEA and the Individuals with Disabilities Education Act can work together to make a real difference for many more of these children. The Teacher Quality report told us that the majority of our teachers do not feel as well-prepared as they should to teach children with disabilities. We want to work very hard to

make sure that all teachers have the skills and the tools they need to teach these children to high standards.

We made a good start in improving teacher quality last year when Congress passed—with strong bipartisan support—the new teacher recruitment and training programs in Title II of the reauthorized Higher Education Act. Our ESEA reauthorization plan would build on this success by providing resources to help States strengthen teacher-certification standards. It also will include—in the new Teacher Quality and High Standards in Every Classroom initiative—increased investment in the high-quality professional development that teachers tell us they need to help all students meet challenging new State standards.

TITLE I

I have described some of the key, crosscutting measures for getting high standards into all classrooms. Now I would like to outline some program-specific issues and recommendations, beginning with Title I, which is the largest Federal investment in elementary and secondary education. This \$7.7 billion program reaches more than 45,000 schools in over 13,000 school districts. With the expansion of schoolwide projects following the last reauthorization, the program now serves over 11 million students. In the 1996-97 school year, 36 percent of the children served were white, 30 percent were Hispanic, and 28 percent were African-American. Seventeen percent of the children served were limited English proficient.

Historically, Title I has been the single largest source of Federal funding targeted to raising the achievement levels of students in high-poverty schools and helping to close the achievement gap between these children and their more advantaged peers. The 1994 reauthorization focused on helping children in high poverty schools reach the same high standards expected of all students. In particular, States were required to develop content and performance standards in reading and math, with aligned assessments to measure student progress toward meeting the standards.

The 1994 Act also improved targeting of resources, expanded the schoolwide approach, and strengthened parental involvement. With regard to targeting, the GAO recently reported that Federal programs are much more targeted than State programs. On average, for every \$1 a State provided in education aid for each student in a district, the State provided an additional \$0.62 per poor student. In contrast, for every \$1 of Federal funding districts received for each student, they received an additional \$4.73 in Federal funding per poor student. We believe targeting works, and we recommend leaving in place the Title I allocation formula adopted by the Congress in 1994.

The 1994 Act expanded schoolwide programs by permitting schools with poor children making up at least 50 percent of their enrollment to use Title I funds in combination with other Federal, State, and local funds to upgrade the instructional program of the entire school. Since 1995, the number of schools implementing schoolwide programs has more than tripled, from about 5,000 to approximately 16,000. Our reauthorization proposal would maintain the 50-percent threshold for schoolwide programs.

Parents of Title I children are now more fully involved in their children's education through the use of parent compacts called for in the 1994 Act. I want to stress that getting parents involved in the process of school reform is often the spark that makes the difference. I have been a strong advocate of increased parental involvement in education for many years and there is a good reason for it. Parents are children's first teachers and they set the expectations that tell children how hard they should strive to achieve. Teachers tell us again and again that parents are too often the missing part of the education success equation.

If you look at the chart entitled "Making the Grade," you will see why we are placing such a strong emphasis on developing compacts between parents and schools for our Title I children (See Chart 5). Four years ago, we created the Partnership for Family Involvement in Education with 40 organizations. This Partnership has since grown to 4,700 organizations and it continues to grow quite rapidly. To give you one example of its activities, last month the Partnership sent out a detailed guide of best practices on how teachers can work better with parents.

Progress Since the 1994 Reauthorization

Current information on Title I indicates progress on several fronts. Title I has contributed to the rapid development of challenging State standards that apply to all students in Title I schools. Teachers in Title I schools are increasingly reporting that standards are helping to guide instruction. Moreover, preliminary data gathered for this reauthorization from States that have implemented the Title I standards and assessment provisions generally show increased achievement levels in high-poverty schools. For the 1997-98 school year, 7 of the 10 States with standards and aligned assessments in place for two years report increasing percentages of students meeting proficient and advanced performance standards in schools with poverty rates of at least 50 percent. These State-level data are particularly encouraging since final assessments are not required to be in place until school year 2000-2001. This and other information, including data indicating that Title I is driving higher standards to poor districts and schools, will be discussed in greater detail in the Congressionally mandated National Assessment of Title I scheduled for release in late February.

Despite these initial signs of progress, I would be the first to admit that we are not anywhere near where we need to be in turning around the thousands of low-performing high-poverty schools that are served by Title I. This is why the President is so strong for improving teacher quality and increasing accountability. We know that many States, districts, and schools are not making as much progress as we had hoped. However, we did not expect to turn around the long, sorry history of setting low expectations for our Nation's poorest children in just four years. I believe we are now on the right course in aligning Title I with the best efforts of State and local school systems. We simply need to stay the course in fitting all the pieces together to raise achievement levels.

Finally, in looking at the impact of Title I, we should keep in mind that despite its size and prominence at the Federal level, it represents about three percent of national spending on elementary and secondary education. Title I is effective only when it works in partnership with much larger State and local resources. Nevertheless, Title I can and should do more to

assist State and local efforts to raise the educational achievement level of poor and minority children, and this is what we are trying to achieve through our reauthorization proposals.

Proposed Changes to Title I

Building on what we have learned since 1994, our reauthorization proposal would continue to hold at-risk children in high-poverty schools to the same high standards expected of all children and to link Title I to State and local reforms based on high standards. We also would continue targeting resources to areas of greatest need, supporting flexibility at the local level to determine instructional practices, and encouraging more effective implementation of schoolwide programs.

Title I schools would, of course, be subject to the accountability provisions that we would apply to all ESEA programs. Specific improvements to Title I would include targeting additional resources to help the lowest achieving schools and phasing out the use of teacher aides as instructors in Title I schools. We also would strengthen the schoolwide authority by borrowing some of the successful features of the Comprehensive School Reform Demonstration program, such as basing reforms on solid research about what works. And in response to a key recommendation of the reading study conducted by the National Academy of Sciences (NAS), we are proposing the use of diagnostic assessments in the first grade to ensure the early identification of children with reading difficulties. In addition to these proposals, we are giving serious consideration to phasing in a set-aside within Title I for professional development aligned to standards.

Separately, we support the continuation of the Comprehensive School Reform Demonstration program, which we believe is generating some good models for improving the effectiveness of the broader Title I program and for strengthening both Title I and non-Title I schools.

The Department also is considering proposals to promote high quality professional development for early childhood educators and others to help children develop better language and literacy skills in the early years. The NAS's reading study presented strong evidence that children who receive enrichment services focused on language and cognitive development in early childhood show significantly higher reading achievement in the later elementary and middle school years. We believe that professional development based on recent research on child language and literacy development—including strategies that could be shared with parents—could make a significant contribution toward the goal of ensuring that every child can read well by the end of the 3rd grade. Our proposal would target those children most at risk of experiencing difficulty in learning to read by working with early childhood educators in Head Start and Title I pre-K programs.

QUALITY TEACHERS AND HIGH STANDARDS IN EVERY CLASSROOM

While every State has developed high standards, States and districts now need significant support to continue the hard work of turning these high expectations into classroom realities. This is why we are proposing a new initiative called Quality Teachers and High Standards in Every Classroom. This initiative would help States and school districts

continue the work of aligning instruction with State standards and assessments, while focusing most resources on improving teacher quality through high-quality professional development. Our proposal would build on and succeed the current Goals 2000, Title II, and Title VI programs.

The National Commission on Teaching and America's Future found that the biggest impediment to improving teaching was the lack of access to the kinds of knowledge and skills teachers need to help students succeed. We know from the Commission's report that most school districts do not direct their professional development funds in a coherent way toward sustained, standards-based, practical, and useful learning opportunities for teachers. We need to provide teachers with opportunities to change instructional practices in order to ensure that all children are taught to high standards.

Just as we have real concerns about improving teacher quality, we need to recognize the growing shortage of qualified principals. I was struck by a recent article in *The Washington Post*, which indicated that about 50 percent of all schools face a shortage of qualified principal candidates. That is a very heavy statistic.

Unfortunately, we have not done enough to support the professional growth of teachers and principals. Currently, most school districts spend less than three percent of their budgets on professional development, while our best private companies spend as much as 10 percent to ensure that their employees have quality training and keep current in their work. If we expect the best from our students, we need to ensure that we are giving our teachers the best support possible. And, we know it works. In New York City's District 2, former Superintendent Tony Alvarado made major investments in professional development—investments that paid off in marked improvement in student achievement.

The 1994 reauthorization included a greater focus on research-based principles of professional development in the Eisenhower Professional Development program. Despite this emphasis, recent evaluations of the Eisenhower professional development program found that most districts did not receive enough funding to support the kind of on-going, intensive professional development that works best to improve teaching skills.

As we move into the next phase of getting high standards into schools and classrooms, we must give States and districts the flexibility they need to strengthen their local efforts to implement standards and to improve teacher quality. States could use these funds to continue the development of standards and assessments and provide leadership to districts working to align instruction with these standards and assessments and to improve professional development for teachers. School districts would use their funds to implement standards in schools and to invest in professional development in core subject areas, with a priority on science and mathematics.

States and districts would also be able to use these funds to meet new ESEA teacher quality requirements related to the implementation and improvement of competency-based assessments for initial licensure, the reduction of the number of teachers on emergency credentials, and the reduction of the number of teachers teaching out of field.

Funds would be used to advance teacher understanding and use of best instructional practices in one or more of the core academic content areas, with a primary focus on math and science. The initiative also is designed to complement the strong emphasis on professional development throughout our ESEA reauthorization proposal, including Title I, the Reading Excellence Act, and Title VII.

We would support activities to assist new teachers during their first three years in classroom, including additional time for course preparation and lesson planning, mentoring and coaching by trained mentor teachers, observing and consulting with veteran teachers, and team-teaching with veteran teachers.

Veteran teachers would be encouraged to participate in collaborative professional development based on the standards developed by the National Board for Professional Teaching Standards. The initiative also would support district-wide professional development plans designed to help students meet State academic standards, the integration of educational technology into classroom practice, and efforts to develop the next generation of principals.

SAFE, DISCIPLINED, AND DRUG-FREE SCHOOLS

The Administration's plans for reauthorizing the Safe and Drug-Free Schools and Communities Act have actually taken shape over the past few years in our annual budget requests. These proposals have been designed to strengthen the program by improving accountability and by targeting funds to local educational agencies with (1) significant drug and violence prevention problems and (2) high-quality, research-based programs to address those problems.

Our reauthorization proposal would build on these earlier efforts by emphasizing a schoolwide approach to drug and violence prevention. All school districts receiving funds would be required to develop a comprehensive Safe and Drug-Free Schools plan to ensure that they have a drug-free, safe, and disciplined learning environment. These plans would include fair and effective discipline policies, safe passage to and from schools, effective research-based drug and violence prevention policies, and links to after-school programs. These plans would also have to reflect the "principles of effectiveness" that the Department recently established, which include the adoption of research-based strategies, setting measurable goals and objectives for drug and violence prevention, and regular evaluation of progress toward these goals and objectives.

Program funds would be distributed in larger, more effective grants, because our proposal would require States to award competitive grants to a limited number of high-need districts. Program evaluations have consistently found that the current practice of allocating funds by formula to all districts spreads funds too thinly to have a significant impact in most districts. For example, about three-fifths of districts currently receive grants of less than \$10,000, with the average grant providing only about \$5 per student.

Our reauthorization plan also would continue the Safe Schools/Healthy Students program, an interagency initiative that provides competitive grants to help school districts and communities to develop and implement comprehensive, community-wide strategies for creating safe and drug-free schools and for promoting healthy childhood development.

Similarly, the Safe and Drug-Free Schools Coordinator Initiative would be continued under our proposal.

We also will propose to authorize the Department to provide emergency services, especially mental health and counseling services, to schools affected by the kind of violence we saw last year in Arkansas, Kentucky, Mississippi, Oregon, and Pennsylvania. This is the \$12 million Project SERV (School Emergency Response to Violence) initiative included in the President's 2000 budget request. Our reauthorization plan also would set aside a small amount of funding at the State level to support similar emergency response activities.

EDUCATIONAL TECHNOLOGY

Since the creation of Title III in the last ESEA reauthorization, the Federal government has helped States and school districts make significant progress in bringing technology into the classroom and making sure that teachers are prepared to effectively integrate technology throughout the curriculum.

With the support of Congress, the Department has delivered over \$1 billion to States through the Technology Literacy Challenge Fund. This investment is helping to increase the number of classrooms connected to the Internet—just 27 percent in 1997—and has helped decrease the student-computer ratio from 38 students per multimedia computer to 13 students per multimedia computer.

By early March, \$1.9 billion dollars in E-Rate discounts will be provided to the Nation's schools and libraries. This means that over the summer, the number of poor schools that are connected to the Internet will rise dramatically. These discounts will also provide affordable access to advanced telecommunications and ensure that all of our schools are active participants in the technological revolution.

To reduce the "digital divide" that could widen the achievement gap between disadvantaged students and their wealthier peers, we propose to strengthen the targeting provisions of the Technology Literacy Challenge Fund. Just 63 percent of high-poverty schools had connections to the Internet in 1998, compared to 88 percent of low-poverty schools. The disparity is even greater at the classroom level, with only 14 percent of classrooms connected to the Internet in high-poverty schools, compared to 34 percent of classrooms in low-poverty schools.

Federal dollars are helping to narrow this digital divide. High-poverty schools received over two-and-one-half times more new computers than their low-poverty counterparts in recent years. We will make a special effort to address the needs of rural America, where technologies like distance learning can make a real difference, and to coordinate ESEA technology programs with the Individuals with Disabilities Education Act Technology Development Program, which expands access to innovations in technology to students with disabilities.

Helping teachers integrate technology into their daily lesson plans will be another special focus. Currently, only 20 percent of our teachers feel qualified to integrate technology throughout the curriculum. The reauthorization proposal for Title III will focus on supporting

State and local efforts to improve teacher quality, with a priority for developing partnerships between local school districts, institutes of higher education, and other entities.

We also want to strengthen our evaluation efforts to find proven and promising models of how technology is improving achievement that we can bring to scale.

SUPPORTING STUDENTS WITH LIMITED ENGLISH PROFICIENCY

Students with limited English proficiency (LEP) are the fastest growing population served by the Elementary and Secondary Education Act. According to State educational agency data, the number of LEP students grew 67 percent between the 1990-91 and 1996-97 academic years.

Growing numbers of LEP students are in States and communities that have little prior experience in serving them. For example, between the 1992-93 and 1996-97 school years, the LEP population more than doubled in Alabama, Alaska, Florida, Idaho, Nebraska, Nevada, North Carolina, Oregon, South Carolina, and Tennessee.

The President's goal is to hold schools accountable for ensuring that LEP students can speak and read English after three consecutive years in our schools. We are equally committed to ensuring that LEP students reach challenging academic standards in all content areas. We also want to assure that States and school districts have the flexibility they need to provide the most appropriate instruction for each child.

I told you earlier that we cannot afford to waste the talents of one child. One of America's greatest strengths has always been her diversity of peoples. Today, immigrants and their children are revitalizing our cities, energizing our culture, and building up our economy. We have a responsibility to make them welcome here and to help them enter the mainstream of American life.

Our reauthorization proposal for the Title VII bilingual education provisions seeks to achieve these goals by emphasizing the same two key strategies we are pursuing throughout the ESEA: improving teacher quality and strengthening accountability.

To increase teacher quality, for example, all institutions of higher education applying for Title VII grants would be required to show that their teacher education programs include preparation for all teachers serving LEP students.

To strengthen accountability, we would require both Title VII grantees and Title I schools to annually assess the progress of LEP students in attaining English proficiency. These assessments will be used to inform parents of their children's progress and to help schools improve instruction.

LEP students who have been in U.S. schools for less than three years would continue to be included in the Title I assessment system, but after three years reading assessments would be conducted in English. Schools and districts would be held responsible, as part of the larger ESEA accountability provisions, for ensuring that LEP students reach the three-year English language proficiency goal.

I also believe that America's children need to become much more fluent in other languages. We are very far behind other nations when it comes to giving our students a mastery of other languages. There are teenagers in Europe who can easily speak three languages. I am certain we can do a much better job at giving our students both a mastery of English and fluency in at least one foreign language. There are currently over 200 two-way bilingual education programs that teach English and a foreign language and allow all students to truly develop proficiency in both languages.

EXCELLENCE AND OPPORTUNITY IN PUBLIC EDUCATION

As I travel around the country visiting schools, I continue to see the spark of innovation and creativity in many public schools. Public education is changing quite rapidly at the ground level and offering parents many more options in the terms of the type of schools their children can attend and the courses they can take.

This Administration is a strong advocate of public school choice as a way to encourage and stimulate the creative efforts of school districts to give parents the opportunity to find a school that best fits the needs of their children. Some discussions about choice suggest that there is choice only outside of public education. Well, that is an assumption that I want to challenge because it really has no basis in fact.

You can go to school district after school district and find schools-within-schools, magnet schools, school-to-work initiatives, high schools collaborating with local colleges, and option and theme schools that focus in on specialized fields like the environment, the visual and performing arts, communications and technology, back-to-basics, classical studies, marine science, accelerated learning, the international baccalaureate, finance, and medical sciences.

There is a great deal of variety in public education at the local level, from alternative schools to community-based learning efforts, to schools-without-walls, to public schools that focus in on the core-knowledge approach to education. There are public school districts like Seattle that have a completely open choice model and many other school districts that offer intra-district choice, inter-district choice, and controlled choice. Critics of public education would do well to recognize that many public school districts are far more in touch with parents than they think and are giving parents the choices they seek.

I want to stress that one of the most important choices that parents can make about a child's education is the choice of subjects and not schools. We have a growing body of research showing that courses students choose in middle and high school are powerful predictors of success—from mastery of high-level math to gaining entrance to top colleges and universities. The best schools in America—whether they are public, private or parochial—all share something in common: they place a strong emphasis on a rigorous and engaging academic program. This is what makes these schools distinctive, and it is what makes them work.

That is why President Clinton has spent six years advocating the idea that by raising standards, exciting families about their children's education, and putting quality teachers into

every classroom, we can raise achievement for many, many more of our students—and indeed, someday soon, hopefully all of our students. That is the best public policy for us to support. Private school voucher programs affect only a small number of students, divert us from our goal of high standards for all children, and take scarce resources from the public schools that serve around 90 percent of America's children.

While the Administration strongly opposes efforts to divert public funds to private schools through vouchers or similar proposals, we want to encourage the development of new choices within the public school system. This is why we worked very closely with Congress to reauthorize the Charter School legislation that fosters creativity with accountability.

This year we are proposing a new choice authority that would help us identify and support new approaches to public school choice, such as inter-district magnet schools and worksite schools, and promote a new, broader version of choice that works within all public schools.

We are interested in promoting public school choice programs in which the schools and programs are public and accountable for results, are genuinely open and accessible to all students, and promote high standards for all students. There are many successful public schools that can provide models for improving low-performing schools, and one of our goals must be to find ways to help States and local school districts to replicate these successful models by leveraging “what works” for our children's education.

MODERNIZING SCHOOLS FOR THE 21ST CENTURY

An additional priority for the Administration is to help communities build and renovate the school buildings they will need to help all students reach challenging standards. The General Accounting Office has reported that States and school districts face over \$112 billion in repairs to existing schools. In addition, many schools face severe overcrowding as a result of the “baby boom echo.”

The Administration is proposing \$25 billion in bonding authority to finance the construction or renovation of up to 6,000 schools. As part of the President's tax legislation, the Federal government will provide bondholders with tax credits in lieu of interest payments. State and local bond issuers will be responsible for repayment of principal. In addition, through the reauthorized ESEA, we would make grants to involve citizens in designing schools that reflect the needs of the entire community. The President's 2000 budget would provide \$10 million for these grants under the Fund for the Improvement of Education.

CONCLUSION

These are just the highlights of a comprehensive reauthorization proposal that will span a dozen or so titles affecting nearly every area of Federal support for the Nation's elementary and secondary schools. I encourage you to give careful consideration to our full proposal when it is completed next month, and I look forward to discussing the specific details of our plan as your work on your legislation.

The framework for all of our thinking is the clear recognition that the days of “dumbing down” American education are over. We want to “achieve up” and raise expectations for all of our young people. As I have said so many times before, our children are smarter than we think. We can and surely will debate the merits of the policy ideas that we are putting forward today and that is healthy. Let us find common ground, however, around the idea that we have both a moral and social obligation to give the poorest of our young people the help they need to get a leg-up in life and be part of the American success story.

As I travel around the country visiting schools, I really do get a sense that things are happening, that a very strong consensus has developed about what needs to be done to improve our schools. All the elements are coming together: a new emphasis on early childhood, better reading skills, high expectations for all of our young people, and accountability for results. We are moving in the right direction and we need to stay the course to get results and always remember that “the victory is in the classroom.”

In conclusion, I want assure you that the Administration is prepared to work with the Congress to help and support local and State educators and leaders who are striving to raise achievement levels. I hope that in the process, a new bipartisan spirit can evolve around education issues. The last few years have been somewhat contentious here in Washington, and we need to give a better account of ourselves to the American people.

I will be happy to take any questions you may have.

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