

NLWJC - KAGAN

EMAILS CREATED

ARMS - BOX 014 - FOLDER 006

[1/29/1999 - 2/18/1999]

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Elena Kagan to Beverly Barnes re: MSNBC Chat with Elena, Promo Page (partial) (1 page)	02/05/1999	P6/b(6)

COLLECTION:

Clinton Presidential Records
Automated Records Management System [Email]
WHO ([From Elena Kagan])
OA/Box Number: 500000

FOLDER TITLE:

[1/29/1999 - 2/18/1999]

2009-1006-F
ry946

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:29-JAN-1999 14:55:09.00

SUBJECT: Re: Monday's School Board Event

TO: Amy Weiss (CN=Amy Weiss/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

no new stuff and no advance. thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-FEB-1999 18:37:21.00

SUBJECT: Great Debate, Take II

TO: Paul D. Glastris (CN=Paul D. Glastris/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:

Paul -- this is our rewrite of the "the great debate" paragraphs. Thanks.
----- Forwarded by Elena Kagan/OPD/EOP on 02/01/99 06:38
PM -----

Bruce N. Reed
02/01/99 05:56:29 PM
Record Type: Record

To: Elena Kagan/OPD/EOP
cc:
Subject: Great Debate, Take II

Let me know what changes you'd like:

This year we will have a great debate in Congress about the next steps to improve education in America. There are some in Congress who believe the national government has no business investing more in public education. I believe they're wrong -- we should finish the job of hiring 100,000 teachers to reduce class size, and pass our tax credit to build or modernize 5,000 schools. But this debate is not just about money. Some of those same people argue that even though we spend \$15 billion a year on public education, the national government has no business holding the system accountable for results. That's wrong, too. I believe that as a nation, we should say once and for all that no child in America should be taught by an unprepared teacher. No child in America should be passed from grade to grade without having mastered the material. No child in America should be trapped in a failing school. The education of our children must be a national priority, and holding our schools accountable for results must be a national commitment.

From now on, we must say to states and school districts: Identify your worst-performing, least improving schools, and turn them around, or shut them down. Today I am pleased to announce that the balanced budget I submitted yesterday contains a new \$200 million pool of flexible Title I funds that states and schools districts can use to turn failing schools around. We must make sure all schools are on the right track. If we fail to do this, and do it quickly, we are going to lose another generation of children to low expectations, low educational achievement, and low prospects of moving ahead in life.

PRESIDENT CLINTON'S PLAN FOR TURNING AROUND LOW PERFORMING SCHOOLS

In his State of the Union Address, President Clinton called on all states and school districts to identify and turn around their worst-performing schools -- or shut them down. In a visit to the Jackson/Mann Elementary School in Boston, President Clinton announced a \$200 million initiative in his FY 2000 budget that will require states and school districts to take corrective actions to improve low performing schools, and give them the resources to get the job done.

\$200 Million to Turn Around Low Performing Schools. The President's FY2000 budget includes a \$200 million in new funds for the Title 1 program, to be set aside for intervening in low performing schools. The President's proposal will require states and school districts to identify the schools with the lowest achievement levels and the least improvement, and take corrective action to turn them around. These corrective actions, based on a careful assessment of each school's needs, would include steps such as intensive teacher training, support to improve school discipline, and the implementation of proven approaches to school reform. If these actions do not result in improved student achievement within two years, the President's proposal would require states and school districts to take additional corrective actions, such as permitting students to attend other public schools; reconstituting the school, by fairly evaluating the staff and making staff changes as appropriate; or closing the school and reopening it as a charter school or with an entirely new staff. The funds provided in the President's budget will be used to support these interventions.

An approach that works. Experience demonstrates that when these interventions are carefully implemented, are accompanied by the resources to support change, and are part of a broader state and district strategy to raise academic standards, upgrade curriculum, strengthen teaching, keep school safe and disciplined and implement proven practices, schools improve and student achievement increases. For example, in the Fall of 1995 Florida identified 45 critically low performing schools in Dade County. The Miami-Dade School District responded with Operation Safety Net which requires schools to implement a school wide reading program, and provides them staff assistance, improved technology and other resources. These schools are given 3 years in which to make adequate progress or be subject to further action. After 3 years, Dade County removed each of the 45 schools from the state's list of low-performing schools. New York City has created the Chancellor's district, to provide low-performing schools with special intervention to redesign the school, set instructional priorities, identify staff training needs and take other steps improve student performance. In 1966, the Chancellor's District identified and took over 10 of the city's lowest performing schools, and by 1998 half had made enough improvement to be removed from the Chancellor's direct control. In one successful school, P.S.154 in Harlem, staff redesigned the school, chose a concentrated reading program, organized an education plan around it, and trained all teachers to implement the plan. In the first year, the number of third-grader students meeting state standards increased 20 percent, and student reading scores on a statewide assessment have improved significantly. In 1992, Houston identified 68 low performing schools, and as a result of the school district's intervention all of those schools have increased achievement and are no longer considered low performing.

Making Common Sense Common Practice -- Now. Holding every school accountable for results, providing extra help to schools that need it, and closing down those that don't improve, is a common sense approach to strengthening public education. President Clinton's proposal will dramatically speed up the pace at which states and school districts begin to turn around low performing schools. In March 1996, President Clinton challenged every state and school district to take responsibility for intervening in low performing schools. According to a recent Education Week study, nineteen states currently have policies and strategies in place to help improve low-performing schools. More than half of these schools are in urban areas, and a growing number of urban school systems, including New York City, San Francisco, Dade County, Philadelphia and Chicago are taking similar steps, including the implementation of comprehensive school improvement plans, after-school academic help to students, and intensive teacher training. The Boston Public Schools have begun to implement an accountability plan that requires every school to implement a school improvement plan, and that targets help and intervention to the lowest performing schools. Under current Title 1 requirements, states and school districts participating in Title 1 must begin to take corrective actions for low performing schools by school year 2003-2004. The President's proposal will accelerate these efforts, and will ensuring that every state and every school district with the lowest performing schools will start immediately to turn those schools around.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-FEB-1999 18:46:47.00

SUBJECT: Re: Great Debate, Take II

TO: Paul D. Glastris (CN=Paul D. Glastris/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:

I guess I'd pass. If he wants to, he can add it.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 1-FEB-1999 11:41:23.00

SUBJECT: Re: Chicago

TO: Virginia N. Rustique (CN=Virginia N. Rustique/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:
you bet -- just leave everything for me.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-FEB-1999 20:19:49.00

SUBJECT: Re: is this accurate?

TO: June Shih (CN=June Shih/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

so i am. who else is on the list?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-FEB-1999 10:59:56.00

SUBJECT: Edits to Cover Letter for Drug Strategy

TO: David R. Goodfriend (CN=David R. Goodfriend/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

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

Jose Cerda III (CN=Jose Cerda III/OU=OPD/O=EOP [OPD])
READ:UNKNOWN

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

TEXT:

we feel pretty strongly about some of these suggested changes. i'd be grateful if you kept an eye out for whether they're accepted.

----- Forwarded by Elena Kagan/OPD/EOP on 02/02/99 11:00 AM -----

Jose Cerda III
02/01/99 05:12:40 PM
Record Type: Record

To: See the distribution list at the bottom of this message
cc:
Subject: Edits to Cover Letter for Drug Strategy

David:

Per your voice mail to me, I'd recommend the following changes to ONDCP's letter:

1. paragraph 5 (2nd bullet on addicts), 2nd sentence: Drop everything after "treatment gap." We don't need to mention methadone in the President's letter, and Chris Jennings has to make a judgment on whether or not parity is mentioned in the strategy at all.
2. paragraph 6 (3rd bullet on crime and drugs): Replace entire paragraph with the following:

Numerous studies confirm that the vast majority of prisoners report drug use and that many prisoners commit their crimes to buy drugs or while high. To help break this iron link between crime and drugs, we must promote Zero Tolerance Drug Supervision that works to keep offenders drug- and crime-free. We can do this by helping states and localities implement tough new systems to drug test, treat, and punish prisoners, parolees, and probationers.

3. paragraph 9, 3rd sentence: I'd add Bob Rubin to the list of cabinet members mentioned. Treasury gets miffed when they don't get included in our crime/drug rhetoric.

Jose'

Message Sent

To:

David R. Goodfriend/WHO/EOP

Elena Kagan/OPD/EOP

Leanne A. Shimabukuro/OPD/EOP

Bruce N. Reed/OPD/EOP

Christopher C. Jennings/OPD/EOP

Sarah A. Bianchi/OVP @ OVP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-FEB-1999 13:17:29.00

SUBJECT: Re: Atlanta Trip/National Gun Show

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

READ:UNKNOWN

TEXT:

----- Forwarded by Elena Kagan/OPD/EOP on 02/02/99 01:18
PM -----

Jose Cerda III
02/02/99 12:36:28 PM
Record Type: Record

To: Karin Kullman/OPD/EOP
cc: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP, Leanne A.
Shimabukuro/OPD/EOP
Subject: Re: Atlanta Trip/National Gun Show

Yep, this is the "shot show," one of the biggest pro-gunner get togethers
of the year...not a receptive crowd for our gun show message...jc3

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-FEB-1999 17:43:49.00

SUBJECT: Re: is this accurate?

TO: June Shih (CN=June Shih/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

what's that?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-FEB-1999 13:17:47.00

SUBJECT: Re: Atlanta Trip/National Gun Show

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

READ:UNKNOWN

TEXT:

you bet

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-FEB-1999 16:39:57.00

SUBJECT: Re: is this accurate?

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

TEXT:
super. what's this for??

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-FEB-1999 11:07:11.00

SUBJECT: Re: Edits to Cover Letter for Drug Strategy

TO: David R. Goodfriend (CN=David R. Goodfriend/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:
thanks

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 3-FEB-1999 11:35:26.00

SUBJECT: Re: MSNBC On-line Kagan Interview Transcript

TO: Mark A. Kitchens (CN=Mark A. Kitchens/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

good lord -- why did you send that out???

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-FEB-1999 17:32:24.00

SUBJECT: conference call with Bill Corr

TO: Laura Emmett (CN=Laura Emmett/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

----- Forwarded by Elena Kagan/OPD/EOP on 02/04/99 05:33
PM -----

Caroline R. Fredrickson

02/04/99 04:03:49 PM

Record Type: Record

To: Cynthia A. Rice/OPD/EOP, Elena Kagan/OPD/EOP, Bruce N. Reed/OPD/EOP

cc:

Subject: conference call with Bill Corr

Are you all free 10:30 for a quick conference call on recoupment?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 5-FEB-1999 18:55:50.00

SUBJECT: shalala Memo

TO: Sean P. Maloney (CN=Sean P. Maloney/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

let me take a look this weekend.

----- Forwarded by Elena Kagan/OPD/EOP on 02/05/99 06:57
PM -----

Sean P. Maloney

02/05/99 04:00:17 PM

Record Type: Record

To: Elena Kagan/OPD/EOP

cc:

Subject: shalala Memo

A few weeks back we sent up a memo from Sec'y Shalala on HHS' response to the president's July 1998 directive on the public availability of tobacco documents. Do you have a view about whether the president really needs to see this? We're inclined not to send it in, but defer to you guys.

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Elena Kagan to Beverly Barnes re: MSNBC Chat with Elena, Promo Page (partial) (1 page)	02/05/1999	P6/b(6)

COLLECTION:

Clinton Presidential Records
Automated Records Management System [Email]
WHO ([From Elena Kagan])
OA/Box Number: 500000

FOLDER TITLE:

[1/29/1999 - 2/18/1999]

2009-1006-F
ry946

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
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- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
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- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
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RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 5-FEB-1999 13:23:29.00

SUBJECT: MSNBC Chat with Elena, Promo Page

TO: Beverly J. Barnes (CN=Beverly J. Barnes/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:

gosh, thank you Beverly. How are you???

----- Forwarded by Elena Kagan/OPD/EOP on 02/05/99 01:24 PM -----

Beverly J. Barnes
02/05/99 01:14:05 PM

Record Type: Record

To: Elena Kagan/OPD/EOP
cc: Laura Emmett/WHO/EOP
Subject: MSNBC Chat with Elena, Promo Page

P6/(b)(6)
P6/(b)(6) anyway, the point is you were absolutely 100 percent on the mark and entirely fantastic. your answers were informative and easy to understand without being lengthy. and, of course, you knew the policy inside out. thanks for doing the interview, elena. i am convinced you scored some points on the president's behalf. bb
----- Forwarded by Beverly J. Barnes/WHO/EOP on 02/05/99 01:10 PM -----

[001]

Mark A. Kitchens
02/02/99 06:06:54 PM
Record Type: Record

To: See the distribution list at the bottom of this message
cc:
Subject: MSNBC Chat with Elena, Promo Page

*You can view this page in HTML, pictures and all, by going to:
<http://msnbc.com/chat/elena.asp>

CHAT WITH ELENA KAGAN

Domestic Policy
President for Domestic
issues such as
Security. Many of the
President's budget are
Elena Kagan is Deputy Director of the
Council and Deputy Assistant to the
Policy. She advises the President on
Education, Crime, Health and Social
policy initiatives funded by the

"This interview directly to the policies and issues says, advocate of the use of delighted to format." Chat with

developed by the Domestic Policy Council. presents a unique opportunity to speak American people about the important surrounding the President's Budget," Kagan "President Clinton has long been an innovative technologies so naturally I am participate in this type of interview Elena Kagan tonight at 7:30 p.m. ET.

END

Message Sent

To:

Jennifer M. Palmieri/WHO/EOP
crowley_p @ al @ cd @ lngtwy
wozniak_n @ al @ cd @ lngtwy
Elizabeth R. Newman/WHO/EOP
Julia M. Payne/WHO/EOP
Julianne B. Corbett/WHO/EOP
Megan C. Moloney/WHO/EOP
Mark D. Neschis/WHO/EOP
Nanda Chitre/WHO/EOP
James M. Teague/WHO/EOP
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Julie E. Mason/WHO/EOP
Kevin S. Moran/WHO/EOP
nathan b. naylor/ovp @ ovp
Sharon K. Gill/WHO/EOP
bernstein_mj @ al @ cd @ vaxgtwy
Patrick E. Briggs/WHO/EOP
David C. Leavy/NSC/EOP
suntum_m @ al @ cd @ vaxgtwy
olcott_e @ al @ cd @ vaxgtwy
Heather M. Riley/WHO/EOP
Amy Weiss/WHO/EOP
jodi r. sakol/ovp @ ovp
patricia m. ewing/ovp @ ovp
alejandro g. cabrera/ovp @ ovp
Chandler G. Spaulding/WHO/EOP
Victoria L. Valentine/WHO/EOP
Michael A. Hammer/NSC/EOP
Jake Siewert/OPD/EOP
Linda Ricci/OMB/EOP
Joseph C. Fanaroff/WHO/EOP

christopher s. lehane/ovp @ ovp

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 5-FEB-1999 12:09:22.00

SUBJECT: pin

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

TEXT:
connie (I don't know her last name) from the Texas Health Association
----- Forwarded by Elena Kagan/OPD/EOP on 02/05/99 12:10
PM -----

Tracy Pakulniewicz
02/05/99 09:19:54 AM
Record Type: Record

To: Elena Kagan/OPD/EOP
cc: Laura Emmett/WHO/EOP
Subject: pin

Yesterday, you dropped off a pin for Paul from someone. Paul wasn't able to make out your note - from whom was the pin a gift?

Thanks!

Tracy
66289

RECORD TYPE: PRESIDENTIAL (NOTES READ RECEIPT)

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

CREATION DATE/TIME: 6-FEB-1999 08:28:57.00

SUBJECT: RECEIVED: Congressional Request

TO: Maureen A. Hudson (CN=Maureen A. Hudson/OU=WHO/O=EOP [WHO])
READ:UNKNOWN

TEXT:
RETURN RECEIPT

Your Document:
Congressional Request
was successfully received by:
CN=Elena Kagan/OU=OPD/O=EOP
at:
02/06/99 08:27:30 AM

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 8-FEB-1999 09:47:45.00

SUBJECT: HHS Testimony on the Department's FY 2000 Budget

TO: Laura Emmett (CN=Laura Emmett/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

please print

----- Forwarded by Elena Kagan/OPD/EOP on 02/08/99 09:49 AM -----

Robert J. Pellicci

02/08/99 09:39:00 AM

Record Type: Record

To: Christopher C. Jennings, Elena Kagan

cc:

Subject: HHS Testimony on the Department's FY 2000 Budget

Message Creation Date was at 8-FEB-1999 09:39:00

NOTE: EOP STAFF WILL NOT RECIEVE A FAX COPY OF THE ATTACHED.

----- Forwarded by Robert J. Pellicci/OMB/EOP on 02/08/99 09:00 AM -----

Total Pages: _____

LRM ID: RJP16

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

Washington, D.C. 20503-0001

Monday, February 8, 1999

LEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer - See Distribution below

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

OMB CONTACT: Robert J. Pellicci

PHONE: (202)395-4871 FAX: (202)395-6148

SUBJECT: HHS Testimony on the Department's FY 2000 Budget

DEADLINE: 10:00 a.m. Tuesday, February 9, 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: Hearing is before the Senate Budget Committee on Thursday, February

11th. Secretary Shalala is the witness.

DISTRIBUTION LIST

AGENCIES:

6-AGRICULTURE/CONG AFFAIRS - Vince Ansell (Testimony) - (202) 720-7095
61-JUSTICE - Dennis Burke - (202) 514-2141
62-LABOR - Robert A. Shapiro - (202) 219-8201
95-Office of Science and Technology Policy - Jeff Smith - (202) 456-6047
110-Social Security Administration - Judy Chesser - (202) 358-6030
114-STATE - Paul Rademacher - (202) 647-4463
118-TREASURY - Richard S. Carro - (202) 622-0650

EOP:

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Cynthia A. Rice
Charles E. Kieffer
James J. Jukes
Janet R. Forsgren

LRM ID: RJP16 SUBJECT: HHS Testimony on the Department's FY 2000 Budget

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: Robert J. Pellicci Phone: 395-4871 Fax: 395-6148

http://172.28.127.30:8082/ARMS/servlet/getEmailArchive?URL_PATH=/nlcp-2/Arms405/who/Who_19981...

Testimony of
Donna E. Shalala
U.S. Secretary of Health and Human Services
Before the
Senate Budget Committee

February 11, 1999

Chairman Domenici, Senator Lautenberg, and members of the Committee:

It is with great pleasure that I appear before you today to discuss the President's fiscal year 2000 budget for the Department of Health and Human Services.

As the President said when he released his budget on February 1, the FY 2000 budget charts a progressive but prudent path to our future. For the second year in a row, it is a balanced budget that makes vital investments in the people of this country.

Nowhere is that more evident than in the budget of the Department of Health and Human Services. It is a budget designed to meet the very real challenges of the 21st century. And it is a budget that honors America's values without breaking America's bank.

Our budget contains \$400 billion in outlays, a 6.6 percent increase over the FY1999 budget approved by the Congress last year. Within that framework, we seek to keep some very important promises to American families.

The promise of retirement with dignity for all Americans.

The promise of high-quality, affordable health care for every working family.

The promise of a safe and healthy childhood.

And, the promise to mobilize America's scientific genius to make our country a healthier and safer place to live.

As we stand on the crest of the new century, the combination of our fiscal discipline, the expanding economy, and the unprecedented advancement occurring in the scientific community provide us with a unique opportunity to meet these challenges.

Let me turn first to the needs of older Americans and those who are living with disabilities. We all know that the number of Americans over the age of 65 will double by the year 2030. Providing proper care to those who will be in that group is an essential part of meeting the challenges of the new century. The President's long-term care initiative is an important step toward that objective.

Our proposal includes an historic \$1,000 tax credit for people with long-term care needs or their family members who welcome them into their own homes and provide them with care. We estimate that this will help more than two million Americans, including over one million older persons. But let me be clear, this initiative will not just help older Americans the tax credit will also benefit large numbers of working age adults with disability as well as severely disabled children.

But a tax credit is not sufficient to meet all of the needs of older and disabled Americans. That is why the HHS budget includes a \$125 million annual investment by the Administration

on Aging in a new National Family Caregiver Support Program. This will provide direct assistance to those who are caring for elderly relatives. We are also proposing a five-year \$110 million expansion of the Home and Community-Based Care program that helps to expand alternatives to institutional care for older and younger people with disabilities. And the Health Care Financing Administration will launch a new \$10 million national campaign to help inform and educate Medicare beneficiaries about their own long-term care options.

Taken together, we believe that these can be the first steps in a national effort to address the very real needs of some of our most vulnerable citizens. We look forward to working with members of both parties to assure quick approval of bipartisan legislation in this area.

Mr. Chairman, I know that you and I and the members of the committee agree that one of the cornerstones of our national commitment to older Americans is the Medicare program. In the three and a half decades since this landmark program was enacted into law, the health and security of our nation's senior citizens has markedly improved. We have raised both the length and the quality of life for our parents and our grandparents. As we look ahead to the new century, we owe it to the next generation of seniors — including you and me — to make sure that Medicare remains a rock-solid guarantee of high-quality health care.

To ensure that the promise of Medicare remains unbroken, the President has asked Congress to earmark 15 percent of the projected budget surplus for Medicare over the next 15 years. Two years ago, we worked together to extend the solvency of the Hospital Insurance

Trust Fund for another 10 years. The President's proposal to invest one in every six dollars of the surplus in Medicare will assure solvency of the trust fund for an additional decade, keeping it in the black until 2020.

The President also believes that there are additional steps that we can and should take on a bipartisan basis to modernize Medicare and achieve additional savings to strengthen the program. Like you, we look forward to seeing the final recommendations of the National Bipartisan Commission on the Future of Medicare. We also look forward to working with the Congress to ensure that any steps we take in the future meet the four main principles the President outlined last week: dedicate a portion of the surplus to secure Medicare until 2020; modernize the Medicare program to make it more competitive and efficient; guarantee a defined set of benefits without excessive new cost to beneficiaries; and use the savings from these changes to help fund a prescription drug benefit.

I am very proud of the work that the Department has done to reinvent the Health Care Financing Administration. We have tried to transform HCFA from an agency that simply paid the bills and rarely asked any questions into a prudent purchaser of health care services. We have set tough new standards for quality and patient protection. We have worked hard to inform and educate our customers about the new choices available to them. And we have worked with the Congress to update the Medicare benefit package to include important preventive services ranging from mammograms to bone density screening. We hope to work with Congress this year

to ensure that HCFA has the statutory authority necessary to adopt the best management, payment, and competitive practices used in the private sector.

We will also continue the war we have fought against waste, fraud, and abuse in both Medicare and Medicaid. With Operation Restore Trust we have instituted a policy of zero tolerance toward those who would rip off the Medicare program and its beneficiaries. The President's budget continues those efforts by asking Congress, once again, to enact new steps to fight fraud that will save the Medicare trust fund \$2.9 billion over the next five years. Our budget also includes \$165 million to ensure that all of our computers are prepared for the year 2000.

While we take care of older Americans, we also must make sure that we continue to assist working families. An estimated 43 million Americans are living day to day without the protection of health insurance. More than 80 percent of those uninsured people are full-time workers and their dependents. Two years ago, we worked with the Congress on a bipartisan basis to enact the historic Child Health Insurance Program. This year, we are asking the Congress to take another important step toward reducing the number of uninsured in this country. We again propose to allow uninsured workers between the ages of 62 and 65 to buy into Medicare at an actuarially sound premium. We also want Americans between the ages of 55 and 62 who have lost their jobs and their insurance to have a similar opportunity.

The President also is proposing a tax credit for small businesses that seek to insure their workers through a voluntary health insurance purchasing cooperative.

Taken together, we anticipate that these proposals will reduce the number of Americans who are living without health insurance.

While we must do all that we can to reduce the number of uninsured, we also must pay attention to the needs of those who remain uncovered. I am very proud of our new five-year \$1 billion initiative to improve health care access for uninsured Americans. The money would go to community health clinics, public hospitals, and academic health centers to help them establish the infrastructure necessary to provide coordinated, comprehensive care for the working uninsured. This is a relatively small investment but it is a vital one if we are to assure that all Americans get high-quality care at the right place at the right time.

This new initiative will complement existing efforts to reach out to the uninsured and provide them with the care they need. The President's budget also includes \$945 million dollars for two major programs in the Health Resources and Services Administration. An increase of \$20 million — for community, migrant and other health centers and a total of \$1.5 billion for the Ryan White CARE Act, an increase of \$100 million dollars over last year.

We reaffirm our commitment to mental health, with a \$70 million increase - a 24 percent boost - in the mental health block grant to expand community-based programs.

While we help millions of working Americans get health insurance, we also should help millions of other Americans with insurance go back to work. Today, nearly 75 percent of working-age Americans with disabilities are unemployed. One of the major reasons they are staying out of the job market is their understandable fear of losing their health insurance — specifically their Medicare and Medicaid coverage. Last year, we all came very close to agreeing on landmark bipartisan legislation to allow Americans with disabilities to go back to work and keep their health care coverage. This year, the President is determined that we complete that task and pass a law allowing these men and women to take jobs and keep their Medicare or Medicaid coverage.

This budget provides the Indian Health Service with \$2.8 billion, including \$2.4 billion for clinical, preventive, facilities and environmental health programs. That's a \$170 million increase over last year. And we're changing the Medicaid reimbursement rate, which will infuse another \$80 million into Indian Health Service over the next two years.

Mr. Chairman, as you know I have spent most of my career as an educator and an advocate for children. That is why I am so proud of the investments this budget makes in the health and welfare of the youngest Americans.

The President's child care initiative is a lifeline of support to working parents. It will dramatically increase the availability of child care through grants to the states and investments in improving the quality of child care in this country. The President is also proposing a \$6.3 billion

tax credit over five years to help parents — including mom or dads who choose to stay at home — to afford to care for their children.

And the budget includes \$5.3 billion for the Head Start program to continue the wonderful progress we have made in reaching out to infants and toddlers.

As I mentioned earlier, we are making very good progress with the states in implementing the Child Health Insurance Program. As of January, 50 plans had been approved along with eight plan amendments. Our budget includes another \$1.9 billion in federal funds to the states to provide coverage to uninsured children. It also proposes a five-year \$1.2 billion initiative to reach out to eligible children and their families to make sure they are aware of the coverage that is available to them. As part of that we will allow states to use up to 3 percent of their CHIP money to perform outreach activities in addition to the 10 percent allotment for other administrative expenses.

We are also proposing \$50 million in grants to states to test new pediatric asthma management methods and another \$40 million to support graduate medical education at our nation's children's hospitals.

Every year, 20,000 young Americans age out of foster care when they turn 18. Too many of them are not yet ready to face the challenges of adult life. This budget invests in those young

people and gives them some of the basic skills they will need to survive and to thrive. Part of that means making sure they are insured through Medicaid until they reach 21. At a cost of only \$50 million dollars over five years, we can do that. We must do that.

It is impossible to talk about children's health without talking about tobacco. The members of this Committee are very familiar with the statistics — 3,000 American kids begin smoking every day and 1,000 of them will live shorter lives as a result. We must join together to pass a comprehensive tobacco bill that puts cigarettes out of the reach of young people, helps to teach them about the dangers of smoking, and confirm the FDA's authority over this deadly drug. The Department of Health and Human Services also will work with the Justice Department in preparing federal litigation against tobacco companies to recoup the money spent on treating the often deadly consequences of tobacco use.

While we help young people to avoid the dangers of tobacco, we also must make sure that they are fully immunized against the preventable diseases that are, fortunately, becoming increasingly rare in this country. Working together we have made remarkable progress in making sure that children are vaccinated at a young age. As a result, cases of polio, mumps, tetanus, and measles are at an all-time low. Our budget allocates \$1.1 billion to the CDC to make further progress toward the goal of having all our children immunized.

The final area I would like to discuss with you is our investment in science and public health.

Our budget continues the bipartisan progress we are making toward meeting the President's goal of increasing the budget for the National Institutes of Health by 50 percent over five years. Last year, Congress enacted a 15 percent increase in the NIH budget and this year we make another down payment on that commitment.

We also are proposing, once again, to allow Medicare patients to enroll in cancer clinical trials so that we can help bring new, effective cancer treatments to all Americans.

We are investing in health care quality by increasing the budget of the Agency for Health Care Research and Policy by \$35 million to \$206 million. This is a major commitment to ensuring that the medical breakthroughs our scientists create are translated into measurable improvements in the health of the American people.

Improvement in health must also go hand in hand with providing a sense of security to Americans in their everyday life. Therefore, the threat that exists today of biological terrorism is one that we must take seriously. Bioterrorism is not just a problem for the military or for law enforcement, it's a problem for the entire public health and medical community. That's why this budget proposes a \$72 million increase for medical and public health response and preparedness for bioterrorism. This amount allows us to improve surveillance, strengthen local medical response systems and expand research on biological and chemical agents.

Part of this increase will provide \$65 million for bioterrorism and emergency response, including development and implementation of a national electronic disease surveillance system at CDC. This network will create a critical link to track influenza, food-borne illnesses, and other infectious diseases.

In addition, we are proposing a 19 percent increase in the budget of the Food and Drug Administration, the largest increase in recent years.

The requested increase comes at a critical time for the agency, which has been given many important new responsibilities in recent years but has not been given corresponding increases in its budget. Under the new leadership of Commissioner Henney, the Food and Drug Administration will be carrying out high-priority initiatives to improve the safety of the nation's food supply, to protect our children from becoming addicted to tobacco products, to ensure the safety and adequacy of the blood supply, and to strengthen agency's scientific capabilities.

Mr. Chairman, members of the Committee, I have put before you today a blueprint for health and social service systems to meet the challenges of the new millennium. The goals of making health and happiness the defining characteristic of our seniors retirement, of providing a better future for our children, and of enabling all Americans to live longer and healthier lives are ones that we all share. And like you, I am committed to achieving these goals while maintaining the balanced budget discipline we have all worked so hard to create.

Chairman Domenici and Senator Lautenberg, and members of the committee: I appreciate the support you have provided us in the past and I look forward to working with all of you to meet the challenges before us in this budget. I would be pleased to answer any questions you might have.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 8-FEB-1999 15:17:04.00

SUBJECT: Re: fyi - for rangel

TO: Michael Waldman (CN=Michael Waldman/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

excellent!!

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 8-FEB-1999 15:11:50.00

SUBJECT: Re: Grijalva and Medicaid

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

READ:UNKNOWN

TEXT:

That is definitely not the way thurm portrayed it (or at least not the way podesta portrayed how thurm portrayed it). In any event, they'd be wise to push for a true middle option.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 8-FEB-1999 13:15:07.00

SUBJECT: Re: Grijalva and Medicaid

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

READ:UNKNOWN

TEXT:

1. I'm not convinced. Why don't you talk with Tim Westmoreland? He's at the Georgetown legislation program -- Devorah Adler will be able to give you a number.

2. I'd like to see it by the end of the day. And I do not think that a stripped-down brief can include any explicit conclusions on the merits of the state action issue. If the SG can't write a brief without those conclusions, then we're really left with a choice between filing or not filing. And by the way, my understanding is that Shalala and Min now want a true stripped-down brief -- at least, that's what Thurm told Podesta this morning.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 8-FEB-1999 09:44:25.00

SUBJECT: Re: NAEP

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

TEXT:

Either the President or the VP should join Riley in announcing these new results. If the VP does it, we can put out a written statement from the President on the same day.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 8-FEB-1999 14:48:46.00

SUBJECT: Re: Pay Equity Meeting

TO: Kevin S. Moran (CN=Kevin S. Moran/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

I think a pre-mmeting just before would be OK if we can get John a decent memo on the issue. Who's supposed to be writing?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 8-FEB-1999 12:37:22.00

SUBJECT: Re: Grijalva and Medicaid

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

READ:UNKNOWN

TEXT:

Why, then, is everyone so insistent about the need for section 1983 actions in medicaid?

And when are we going to see a stripped-down version of the brief?

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.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 9-FEB-1999 13:50:08.00

SUBJECT: response to HHS's argument about Medicaid

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

----- Forwarded by Elena Kagan/OPD/EOP on 02/09/99 01:51 PM -----

Jeanne Lambrew
02/09/99 01:48:10.PM
Record Type: Record

To: Elena Kagan/OPD/EOP
cc: Christopher C. Jennings/OPD/EOP, Devorah R. Adler/OPD/EOP
Subject: response to HHS's argument about Medicaid

From Chris as well:

HHS argues that a decision about state action in Medicare is not applicable to Medicaid because Medicare beneficiaries can always return to fee-for-service, while Medicaid beneficiaries cannot not. (Note: Under the BBA, by 2001, beneficiaries will be locked into managed care plans for nine months from when they join the plan).

Medicaid is not that different from Medicare -- millions of Medicaid beneficiaries have a choice of managed care or fee-for-service.

- Only 2 states have 100 percent of beneficiaries in managed care (Tennessee and Washington). States need 1115 waivers to require Medicare-Medicaid dual eligibles and children with special needs to join Medicaid managed care plans. In 10 states, less than 25 percent of beneficiaries are enrolled in managed care.

- Half (25) of states do not enroll any elderly or disabled Medicaid beneficiaries in managed care. This, plus the choice of fee-for-service for some adults and children account for the fact that 50 percent of Medicaid beneficiaries are not enrolled in managed care.

Absurd to make the case based on whether a beneficiary chooses managed care. In Medicaid, some children with special needs can choose but cannot be forced to enroll in managed care -- while healthy children may be required to enroll. Under HHS's logic, it would be alright to have no private right of action for the sick child whose parents chose managed care but not alright to take away the right of action from the healthy child.

Some Medicare-Medicaid dual eligibles are enrolled in managed care. For some elderly and people with disabilities, Medicare covers their basic health services and Medicaid pays for prescription drugs, Medicare cost

sharing, etc. In this situation, the managed care plan could be sued as a state actor in Medicaid but not in Medicare.

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.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:10-FEB-1999 12:14:12.00

SUBJECT: Re: idea for POTUS

TO: Lynn G. Cutler (CN=Lynn G. Cutler/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

I sent the message on to Chris;he's the person in the best position to know what we can/should do in this area. It seems to me like a good idea.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:11-FEB-1999 14:10:27.00

SUBJECT: Meeting with Francis Collins

TO: Laura Emmett (CN=Laura Emmett/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

----- Forwarded by Elena Kagan/OPD/EOP on 02/11/99 02:11
PM -----

Joanne S. Tornow
02/11/99 11:21:55 AM
Record Type: Record

To: Elena Kagan/OPD/EOP
cc: Christopher C. Jennings/OPD/EOP, Arthur Bienenstock/OSTP/EOP, Neal Lane/OSTP/EOP
Subject: Meeting with Francis Collins

I would like to invite you to attend a meeting with Dr. Francis Collins (Director of the National Human Genome Research Institute), Neal Lane, David Beier, and Artie Bienenstock. Francis has requested this meeting to discuss a variety of policy issues associated with the Human Genome Project. The meeting is scheduled for Tuesday, March 16, at 11 am, in OEOB 422.

Joanne

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:11-FEB-1999 14:10:10.00

SUBJECT: Re: tobacco

TO: Barry J. Toiv (CN=Barry J. Toiv/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:
fyi- Elena is out today & tomorrow -Laura

Barry J. Toiv

02/11/99 11:18:09 AM

Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP, Cynthia A. Rice/OPD/EOP
cc:
Subject: tobacco

- 1) Is there some brief guidance we should do for today?
- 2) I'm reminded by this that I haven't talked to anybody recently about what's going on in the world of tobacco. Would Bruce or Elena please give me a call to let me know what's up? Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:17-FEB-1999 20:11:59.00

SUBJECT: Firefighters

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

TEXT:

Let's give this one to Jose Cerda on the ground that the closest thing to fire fighters is police officers.

----- Forwarded by Elena Kagan/OPD/EOP on 02/17/99 08:12 PM -----

Charles M. Brain

02/17/99 04:26:00 PM
Record Type: Record

To: Elena Kagan/OPD/EOP
cc:
Subject: Firefighters

Who on your staff would deal with fire and public safety issues. Cong. Bill Pascrell (D-NJ) has a package that he wants to get our reaction to? (\$1 billion per year in matching competitive grants to communities to train, hire, equip fire fighters and emergency medical services within fire departments.) I've got some paper I can get to you.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:18-FEB-1999 12:44:57.00

SUBJECT: One America Initiative

TO: Robert B. Johnson (CN=Robert B. Johnson/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

CC: Laura Emmett (CN=Laura Emmett/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:

Of course. Did you show frustration?? Was that after I left??

----- Forwarded by Elena Kagan/OPD/EOP on 02/18/99 12:46
PM -----

Robert B. Johnson
02/18/99 10:40:29 AM
Record Type: Record

To: Elena Kagan/OPD/EOP
CC:
Subject: One America Initiative

I didn't mean to show so much frustration yesterday. However, I really want this to work for the President. Elena I need your help, especially your ideas because you are always so clear. Can I spend about 30 minutes with you at your earliest convenience to go over how you think our offices should work together on One American policy issues. Thanks.