



ALLIANCE FOR  
EXCELLENT EDUCATION

# StraightA's

Public Education Policy And Progress



## **EDUCATION BUDGET RECEIVES CHILLY RECEPTION IN SENATE HEARING: Education Secretary Defends Spending Cuts as Necessary**

When the president's budget was first released on February 6, **Senate Labor, Health and Human Services (HHS), and Education Appropriations Subcommittee Chairman Arlen Specter (R-PA)** made his displeasure with it well known. "The President's FY07 budget proposal is going to require substantial modifications by the Congress," he said at the time. "It is scandalous to provide insufficient funding for our Nation's two greatest capital investments: health and education ... I have already notified my colleagues, including leadership, that I will not support any budget resolution that does not provide adequate funding for domestic discretionary programs with special emphasis for my subcommittee on Labor, Health and Human Services, and Education."

On March 1, Chairman Specter and other members of the Senate Labor, HHS, and Education Appropriations Subcommittee had a firsthand opportunity to question **U.S. Secretary of Education Margaret Spellings** about the president's education budget. Considering that "scandalous," "insufficient," and "simply underfunded" were some of the many derogatory terms that subcommittee members used to describe the education budget, it's clear that the chairman is not alone on the committee in feeling that the budget has serious flaws.

Defending the budget, Spellings acknowledged that the committee had a "very tough job ahead" in determining which programs to fund. "The programs you make funding decisions for are discretionary, and you don't have much room to maneuver," she said. "At the same time, as policymakers, we must focus on results. We've looked at data to see what policies are working for students and where we can save taxpayers money or work more efficiently by eliminating and consolidating less effective programs."

**Senator Tom Harkin (D-IA), the ranking Democrat on the subcommittee**, took the secretary to task over a budget that, in his opinion, took several steps backward in its funding for education programs. "A budget is a moral document, and the President's budget flunks the most basic moral test," he said. "It calls for literally hundreds of billions in additional tax cuts, with the lion's share going to those making more than \$1 million a year. And it calls for deep cuts to programs that our most vulnerable citizens depend on for their very survival."

Harkin also seemed incredulous that the administration was serious in its recommendations for education programs. "Would you like to see the budget passed as it was sent up?" he asked. "Does the president want it enacted just like this?" Secretary Spellings began a response, which Harkin interrupted to ask for a yes or no answer. Seeming somewhat flustered, the secretary

## **Education Budget Receives Chilly Reception in Senate Hearing** (Continued from p. 1)

ultimately responded with a “yes.”

In discussing the president’s American Competitiveness Initiative, Harkin expressed concern that the programs would only benefit “rich kids.” “What about competitiveness for kids who qualify for Pell Grants?” he asked. He also noted that the president’s \$1.5 billion High School Initiative is more than offset by \$2.15 billion in cuts to programs that have traditionally benefited high school students, such as GEAR UP, TRIO, Smaller Learning Communities, Tech-Prep Education State Grants, and vocational education.

**Senator Herb Kohl (D-WI)** also chose to focus on some of the programs that would be cut under the president’s proposed budget. In particular, Kohl asked how the president could eliminate funding for vocational education after the U.S. Senate sent him a “clear message” of support for the program with its 99–0 vote to reauthorize the Carl D. Perkins Career and Technical Education Act just a few months ago.

In her response, Secretary Spellings said that poor and minority students, who are largely targeted by Perkins, GEAR UP, and TRIO, are only graduating at a 50 percent rate. She said this fact served as evidence that these programs were not working in many areas. In places where these programs were working, she said, states could choose to fund them with money from the \$1.5 billion high school block grant program.

In a brief respite from the negative, **Senator Mary Landrieu (D-LA)** thanked Secretary Spellings for the department’s work in assisting students who were displaced in the aftermath of Hurricane Katrina. She called the joint efforts between the U.S. Department of Education and the State of Louisiana a “model of partnership” and said that Louisiana would be in much better shape than it is today if every department had worked as reliably.

However, Landrieu also called the education budget “disheartening and wholly inadequate.” She mentioned that she had been at an event for the National Guard Youth Challenge the night before and learned that more than 3 million kids ages 16 to 24 did not have a high school diploma. She said that “education budgets like this one” and tax cuts were to blame. “This is what is paying for these tax cuts,” she said. “It’s too heavy of a price to pay ... Tax payers don’t get a break, they just pay for it in more expensive ways.” She named the criminal justice system and mental health services as examples.

At the end of the hearing, Senator Specter called attention to *The Silent Epidemic*, a new report from the Gates Foundation (see p. 3), and asked Secretary Spellings what in the education budget was targeted to help students who were dropping out of high schools. Spellings explained that many of these students drop out of school because they do not have the reading and “deciphering” skills that they need to understand material in rigorous courses. She cited the president’s \$100 million request for the Striving Readers program, which was created to improve the literacy skills of teenage students who read below grade level, as well as increased funding for the Advanced Placement program and dual enrollment programs that can help increase the rigor and relevance of high school work.

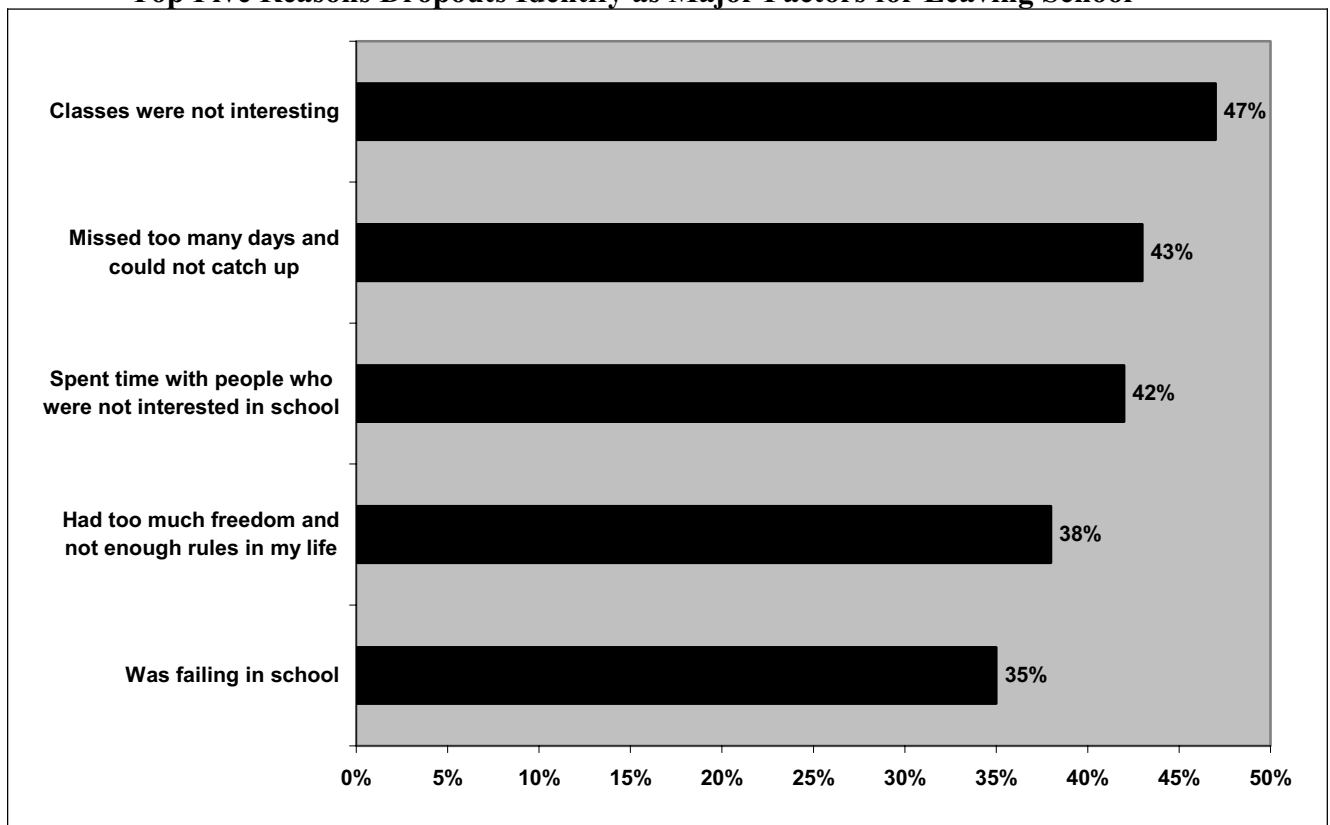
Spellings’s statement is available at <http://www.ed.gov/news/speeches/2006/03/03012006.html>.



## **THE SILENT EPIDEMIC: New Report Offers Solutions to Graduation Rate Crisis Based on Interviews with Dropouts**

While some students leave high school because of academic challenges, most high school dropouts believe that they could have graduated had they persisted, according to the findings of *The Silent Epidemic: Perspectives of High School Dropouts*. Using data from focus groups and interviews with high school dropouts, the report seeks to determine why students drop out of high school and what schools could have done to help them stay in school. “Considering that many of these former students understood the importance of education in fulfilling their goals and many had passing grades and only a couple of years to go, why did they drop out?” it asks. “The decision to drop out is complex and relates to the individual student—and their family, school and community,” it concludes. “The decision is personal, reflects their unique life circumstances, and is part of a slow process of disengagement from school.” However, the report’s authors did find some commonality among respondents, as shown in the graph below.

**Top Five Reasons Dropouts Identify as Major Factors for Leaving School**



Source: *The Silent Epidemic: Perspectives of High School Dropouts*

### **What Does the Typical Dropout Look Like?**

Contrary to popular opinion, the typical dropout featured in the report did not resemble the slacker-type who sleeps in class. Instead, most of the individuals interviewed appeared to be hardworking students who could have graduated had they had received more support. “Despite

### ***The Silent Epidemic*** (Continued from p. 3)

career aspirations that require education beyond high school and a majority having grades of a C or better, circumstances in students' lives and an inadequate response to those circumstances from the schools led to dropping out," the report reads. It found that 66 percent of respondents would have worked harder if expectations were higher, and that 7 in 10 were confident they could have graduated from high school if they had stayed in school.

Among students who dropped out because they were failing in school, nearly half (45 percent) said that they started high school poorly prepared. Many of these students said that they fell behind in earlier grades and could not catch up. They also said that the additional supports that could have helped them were not available in their high schools.

**Dr. Mel Riddile, principal of J. E. B. Stuart High School in Fairfax County, Virginia, told *Education Daily*** that many students were promoted through early grades with minimal skills and poor preparation. He said they entered high school "in a cycle of failure," then hit a rigorous academic curriculum they were "totally unprepared to tackle."

Regardless of students' reasons for dropping out, the report found that dropping out is "not a sudden act, but a gradual process of disengagement." It cited attendance problems as a clear early sign that a student might drop out, and found that approximately 6 in 10 students surveyed reported missing class often in the year before dropping out. The report also found that the level of parental involvement in the lives of these young people was fairly low, with a majority of parents largely unaware of their child's grades or that their child was about to leave school. However, the report did find that parents often became more involved when they learned that their child was on the verge of dropping out.

### **Hindsight Is 20-20**

"In hindsight," the report reads, "young people who dropped out of school almost universally expressed great remorse for having left school and expressed strong interest in re-entering school with students their age." As adults, the overwhelming majority of poll participants (81 percent) said that graduating from high school was important to success in life. Three fourths said that they would stay in school if they could relive the experience. Nearly half of respondents said that not having a diploma makes it harder to find a good job, and "wished they had listened to those who warned them of problems associated with dropping out."

Based on data from interviews with dropouts, the report's authors offered several recommendations on how to improve students' chances of staying in school." In an effort to keep students more engaged, the report called for real-world learning and a closer connection between school and work. It also called for environments that provided more support for struggling students. It noted that 81 percent of participants wanted better teachers and 75 percent wanted smaller classes with more individualized instruction. In addition, schools should provide a wide range of supplemental services for struggling students, such as literacy programs, attendance monitoring, and school and peer counseling, among others.

The report also stressed the importance of strong relationships between a student and an adult in the school. According to the report, only 41 percent of respondents had someone in the school with whom they could talk about personal problems. Improved communication between parents and schools was also called for by the report. It recommended individualized graduation plans and early warning systems to keep parents informed about their child's progress, noting that less than half of respondents said their school contacted their parents when they were absent or after they dropped out. In what may be one of its more controversial recommendations, the report called on states to reexamine their compulsory school age requirements and consider raising the age at which students can legally leave school, from 16 or 17 to 18. Currently, 17 states and the District of Columbia require students to remain in school until age 18.

To more accurately understand the magnitude of the dropout problem, the report called for more accurate data from schools, districts, states, and federal departments and agencies. It praised the National Governors Association for its work in getting states to agree on a common definition for calculating graduation rates, but asked the federal government to review the Current Population Survey and other data it collects.

It also called for better incentives under No Child Left Behind to encourage schools to raise both test scores and graduation rates and to ensure there is a balance between the two. "If schools are only rewarded for raising test scores, the law could have the unintended effect of giving schools an incentive to 'push out' low-performing students whose test scores would bring down school averages," it reads.

The report was written by Civic Enterprises, a private research firm, in association with Peter D. Hart Research Associates for the Bill & Melinda Gates Foundation. It includes findings from four focus groups and 467 interviews with ethnically and racially diverse students aged 16 to 25 who considered themselves high school dropouts. The individuals surveyed were located in 25 different locations throughout the United States with high dropout rates and included large cities, suburbs, and small towns.

The complete report is available at  
<http://www.civicerprises.net/pdfs/thesilentepidemic3-06.pdf>.



### **NOT EXACTLY A DROP IN THE BUCKET: Alliance Analysis Finds that High School Dropouts Cost the Country \$325 Billion in Lost Wages and Taxes**

More than 1.2 million students didn't graduate from U.S. high schools in 2004, costing the nation more than \$325 billion in lost wages, taxes, and productivity over their lifetimes, reports the Alliance for Excellent Education. The \$325 billion figure represents a number larger than the gross domestic product (GDP) of countries such as Turkey (\$301 billion), Austria (\$290 billion), and Saudi Arabia (\$250 billion), according to 2004 figures from the World Bank.

"This is a very conservative estimate," said **Alliance for Excellent Education President Bob Wise**. "There's so much that it doesn't include—like the much higher earnings that would be realized if some of the kids not only got their high school diploma but also went on to college. Nor does it take into account the losses related to dropouts from previous or future years. These

### Not Exactly a Drop in the Bucket (Continued from p. 5)

losses in earnings are bad for the individual, obviously, but they also have a tremendously negative impact on the nation's economy.”

The Alliance’s analysis is based on a recent report by **Princeton University researcher Cecilia Rouse**, which noted that high school dropouts are less likely to be employed and have significantly lower annual earnings than those with at least a high school degree. She estimates that the lifetime difference in income between a high school graduate and a dropout is about \$260,000. The lifetime difference in income between a high school dropout and a college graduate is approximately \$1 million.

To calculate the figures for each state, the Alliance multiplied the number of students reported by the Urban Institute as not having graduated on time in 2004 (the last year for which figures are available) by \$260,000. Costs for selected states are in the chart below.

| State          | 9th Grade<br>(2000–01)<br>All Students (#) | Graduation Rate (%) | Nongraduates<br>in 2004 | Lost Lifetime Earnings<br>(\$260,000 per dropout) |
|----------------|--|---------------------|-------------------------|---|
| California     | 476,142                                    | 68.9                | 148,080                 | \$ 38,500,800,000                                 |
| Florida        | 238,161                                    | 53.0                | 111,936                 | \$ 29,103,360,000                                 |
| Massachusetts  | 59,213                                     | 71.0                | 17,172                  | \$ 4,464,720,000                                  |
| Michigan       | 142,663                                    | 74.0                | 37,092                  | \$ 9,643,920,000                                  |
| New York       | 245,311                                    | 61.4                | 94,690                  | \$ 24,619,400,000                                 |
| North Carolina | 111,745                                    | 63.5                | 40,787                  | \$ 10,604,620,000                                 |
| Ohio           | 159,724                                    | 70.7                | 46,799                  | \$ 12,167,740,000                                 |
| Pennsylvania   | 153,523                                    | 75.5                | 37,613                  | \$ 9,779,380,000                                  |
| Texas          | 355,019                                    | 65.0                | 124,257                 | \$ 32,306,820,000                                 |
| Wyoming        | 7,711                                      | 72.4                | 2,128                   | \$ 553,280,000                                    |
| <i>Nation</i>  | 3,913,738                                  | 68.0                | 1,252,396               | \$ 325,622,960,000                                |

A chart showing the losses over a lifetime to each state and the District of Columbia can be found at [http://www.all4ed.org/press/pr\\_022806.html](http://www.all4ed.org/press/pr_022806.html).



### **READING BETWEEN THE LINES: New Report Finds Half of High School Graduates Lack Reading Skills to Succeed in College**

Too many American high school students are graduating without the reading skills to succeed in college and the workforce, according to a new report by ACT. It also found that students who are college-ready in reading are also significantly more likely to be college-ready in English, math, and science. The report, *Reading Between the Lines: What the ACT Reveals About College Readiness in Reading*, calls for major changes in high school reading standards and instruction. It was released at a March 1 event on Capitol Hill cosponsored by the Alliance for Excellent Education.

According to the report, only 51 percent—the lowest level in more than a decade—of 2005 ACT-tested high school graduates are ready for college-level reading.<sup>1</sup> Among low-income and minority students, the results were much worse, with only 21 percent of African Americans, 33 percent of Hispanics, and 33 percent of low-income students (students from families whose yearly income is below \$30,000) deemed adequately prepared.

“The research reveals a very serious problem,” said **Richard L. Ferguson, ACT’s chief executive officer**. “Too few students are developing the level of reading skills they’ll need after high school.”

“This report confirms what the Alliance has been saying all along,” said Bob Wise, president of the Alliance for Excellent Education. “Literacy skills are fundamental to success in all academic subjects, including not just the humanities and social sciences but also mathematics, biology, and physics. Here in Washington, we’ve been hearing a lot about math and science education lately—but this report should remind us that investing in math and science without literacy is like buying a flashlight without batteries.”

Even more troubling, students appear to actually lose momentum during high school. According to the report, more eighth and tenth graders are on track to being ready for college-level reading than are actually ready when they graduate from high school. A likely reason for the loss in momentum is that reading is “simply not taught much, if at all, during the high school years.” The report also found that not enough high school teachers are teaching the reading skills and strategies that students need to access complex reading texts.

On the other hand, students who do graduate with high-level reading skills are more likely to enroll in college in the fall following high school graduation, the report found. They are also more likely to earn higher grades in college social science courses, have higher first-year college grade point averages, and return to the same college for a second year.

The report makes a number of recommendations on how to increase the number of high school graduates who are ready for college-level reading. It stresses that substantial experience with complex reading materials in high school is the key. The report also calls for guidance for high school teachers on the kinds of materials that are most likely to increase students’ readiness for college-level reading and targeted interventions to help students who have fallen behind in their reading skills.

The complete report is available at <http://www.act.org/path/policy/reports/reading.html>.

**Straight A’s: Public Education Policy and Progress** is a biweekly newsletter that focuses on education news and events both in Washington, D.C., and around the country. The format makes information on federal education policy accessible to everyone from elected officials and policymakers to parents and community leaders. The Alliance for Excellent Education is a nonprofit organization working to make it possible for America’s secondary school students to achieve high standards.

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<sup>1</sup> Of the students tested by ACT from the Class of 2005, only 51 percent met the “College Readiness Benchmark for Reading,” which represents the level of achievement required for students to have a high probability of success (a 75 percent chance of earning a C or better) in such credit-bearing college courses as Psychology, U.S. History, and other first-year courses that are typically reading dependent.



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