

Prepared Remarks for Secretary of Education Arne Duncan  
House Education and Labor Committee, May 20, 2009

Thank you Chairman Miller, Representative McKeon, and all the members of the committee for the invitation to be here today. It is my pleasure to share with you President Obama's plan for American education. It is a comprehensive plan that meets the educational needs of our youngest citizens from cradle to career. If we are going to be successful in rebuilding our economy, our early childhood programs need to prepare our youngest children for kindergarten so they're ready to start reading and learning, our K-12 schools need to make sure our students have all of the academic knowledge and skills that they need to enter college or the workforce, and our higher education system needs to offer whatever advanced learning students need to be successful in a career, whether they will become a plumber, a teacher, or a business executive. As federal policymakers, we need to improve preparation for college and expand college access and completion by increasing financial aid so that students of all income levels can pay for college without taking on a mountain of debt.

I'm proud to work for a President who has created a comprehensive agenda that addresses the needs at every level of our educational system, from expanding access to high-quality early childhood programs to improving the rigor of the academic programs in our K-12 schools to making college more affordable and accessible.

We have gotten off to a fast start. Through the American Recovery and Reinvestment Act, we have laid the groundwork for reform on the K-12 level and made an early down payment on expanding access to early childhood education and increasing student aid for college students. The law made available almost \$100 billion for education. That money will help prevent layoffs, fill holes in state and local budgets, and provide financial aid to college students. The money is needed to help our economy in the short term, but reforms efforts driven by these funds will be the key to our long-term economic success.

Under the State Fiscal Stabilization Fund, states will receive \$48.6 billion to supplement their own budgets during these difficult economic times. The Recovery Act says that states must spend most of that funding on education. \$39.8 billion of that should go to schools.

I want to assure you that I will be scrutinizing how states spend their stabilization money to make sure they are focused on education. I have heard that some states plan to use their stabilization money so as to maintain their rainy day fund and that others may rely on their stabilization grants to pay for tax cuts instead of investing in reforms. I will do everything in my power to reject any schemes that would subvert the intended purpose of the Recovery Act, which is to help schools through the economic downturn and push reform, thereby ensuring our economic prosperity in the future. When reviewing applications for the Race to the Top Fund, we plan to consider whether a state used their stabilization money to aggressively push reforms.

In addition to helping states solve their budget problems, the stabilization fund lays out a path to reform. To receive their money, states must make four commitments that are essential to reforming our K-12 schools. They will improve the effectiveness of teachers and make sure the best teachers are in the schools that need them the most. They will promise to improve the quality of their academic standards so that they lead students down a path that prepares them for

college and the workforce and global competitiveness. These standards need to be aligned with strong assessments. In addition, states must work to ensure that these assessments accurately measure the achievement of English language learners and students with disabilities.

Under the third assurance, states must commit to fixing their lowest-performing schools. Finally, states must build data systems that can track student performance from one year to the next, from one school to another, so that those students and their parents know when they are making progress and when they need extra attention. This information must also be put in the hands of educators so they can use it to improve instruction. Right now, according to the Data Quality Campaign (DQC), Alabama, Arkansas, Delaware, Florida, Louisiana, and Utah are the only states that are reporting to have comprehensive data systems meeting the basic elements of a good system. With \$250 million in the stimulus and another \$65 million in our annual budget for fiscal year 2009 and again in fiscal year 2010, we expect these numbers to continue to grow, which is vital for reform.

In addition to the stabilization money, the Recovery Act gave us \$5 billion to spur innovation in states and districts. Through the Race to the Top Fund, we will be awarding \$4.35 billion in competitive grants to states built around the four pillars of reform outlined in the stabilization fund. Through the What Works and Innovation Fund, we also will be awarding \$650 million in competitive grants to districts and non-profit organizations to scale up successful programs and evaluate promising practices.

Our fiscal year 2010 budget will expand our commitment to reforms in several important ways, addressing the needs from early childhood through K-12 education.

Under the Title I program, we will provide \$1.5 billion for the School Improvement program. This money is vital for helping states and districts address problems in schools in the most trouble. We already have \$3 billion for this program from the Recovery Act and another \$545 million from fiscal year 2009. By adding \$1.5 billion in fiscal year 2010, we'll have more than \$5 billion to address the problems of our lowest-performing schools. I'd like to set a goal to turn around 1,000 low-performing schools a year for each of the next five years. I don't want to invest in the status quo. I want states and districts to take bold actions that will lead directly to the improvement in student learning. I want local leaders to find change agents who can fix these schools. I want them to provide incentives for their best teachers to take on the challenge of teaching in these schools. And where appropriate, I want them to create partnerships with charter school operators with a track record of success. I want superintendents to be aggressive in taking the difficult step of shutting down a failing school and replacing it with one they know will work. We've proposed a \$52 million increase in funding to develop and expand successful charter schools.

Many of you have heard me say that I believe education is the civil rights issue of our time. I truly believe every child is entitled to a high-quality education. I will work closely with the Office of Civil Rights to make sure that we properly review compliance in all programs and policymaking.

The fiscal year 2010 budget starts new programs and expands existing ones to address our priorities in early childhood education and literacy. We will create the \$300 million Early

Learning Challenge Fund that will award grants to help states set up the support and services necessary to build quality early childhood education. We will provide \$500 million in grants through Title I to help districts use their Title I money to establish and expand preschool programs. We will expand the Striving Readers program from a small \$35 million program focused on middle school and high schools to a \$370 million program that addresses the reading needs of children in elementary schools as well. The program will take a comprehensive approach to reading instruction, ensuring that students develop the basic skills as well as the reading comprehension that is so vital to their success in high school and beyond.

We also continue our focus on promoting the teaching profession. With \$517 million in our fiscal year 2010 budget, we will continue and expand our support for local efforts under the Teacher Incentive Fund to develop comprehensive strategies for recruiting, preparing, rewarding, and retaining effective teachers. We also request \$10 million to plan new Promise Neighborhoods, modeled on the successful Harlem Children's Zone. We are committed to acting on the evidence. And we request \$72 million more for the Institute for Education Sciences, so we can identify what works based on rigorous research.

Our agenda from early childhood through 12<sup>th</sup> grade is focused on helping states do the right thing. And that's appropriate because States are responsible for establishing systems of education through the 12<sup>th</sup> grade. It's our role to make it a national priority to reform schools and help states and districts do that.

For more than 40 years, the federal government has played a leading role in helping students pay for college. Continuing this vital role, the total amount of aid for students has increased by \$32 billion since President Obama has taken office. By subsidizing loans and by providing work-study programs and, most importantly, giving Pell Grants to low-income students, the federal government is fulfilling the dreams of students who want to go to college but might not be able to pay for it. President Obama has set a goal that, by 2020, the United States once again will have the highest proportion of college graduates in the world. That's an achievable goal but, to do that, we have to make college affordable.

The Recovery Act made an important down-payment on our plans to expand student aid. The American Recovery and Reinvestment Act provided \$17.1 billion so we could raise the maximum Pell award from \$4,731 to \$5,350. It also added \$200 million to the Work-Study program, providing colleges and universities with additional money to provide jobs to students to help with their college and living expenses.

In our fiscal year 2010 budget, we make three important and permanent changes to ensure students have access to student aid and loans. The first thing it will do is move the Pell Grant program from a discretionary program into a mandatory, appropriated entitlement. This approach will provide more certainty to students and families applying for student aid about the aid that's available to them. In addition, the Pell Grant amounts will grow annually at a rate higher than inflation so that it keeps up with rising college costs.

The second thing this budget does is address the problems with the Federal Family Education Loan (FFEL) program. I think we can all agree that the FFEL structure is broken and the federal student loan programs are in need of a dependable, cost-effective way of providing college-

bound students and their families with the resources they need to meet the growing cost of postsecondary education. The direct lending program is the best way to do that. Through it, we are able to leverage the government's lower cost of funds to finance and originate student loans and private-sector expertise to service the loans. The President's proposal provides a comprehensive and reliable solution for today's students while saving taxpayers over \$4 billion a year. It will be more stable and efficient – reducing risk for students and lowering costs for taxpayers.

The third thing we are doing is boosting the Perkins loan program from \$1 billion to \$6 billion per year. The number of students served will rise from 500,000 to 2.7 million – and the number of schools that can participate in the program will increase from 1,800 to 4,400, which also means that we will serve more students. Also, to help keep college affordable our Perkins proposal allocates funds to schools based on their role in keeping tuition down and providing grant aid to needy students. This further builds upon Congress' recent mandate to create watch lists of colleges with high or excessive increases in tuition.

In closing, I'd like to remind you of one thing the President said when he addressed Congress in February. "In a global economy where the most valuable skill you can sell is your knowledge, a good education is no longer just a pathway to opportunity -- it is a prerequisite."

Thank you for your support so far in ensuring that our children and young adults have the education they need to ensure they enter the workforce with the knowledge and skills they need to be successful and to help rebuild our economy.