Statement on Reauthorizing the Elementary and Secondary Education Act (ESEA): Guidelines for Strengthening the Law

The U.S. Chamber of Commerce (Chamber) —the world’s largest business federation representing more than 3 million businesses and organizations of every size, sector, and region—believes that dramatically improving the performance of the K–12 education system in the United States is essential to providing a strong foundation for both U.S. competitiveness and for individuals to succeed. To achieve this goal, we must continue the unprecedented national dialogue about education reform that has continued under this Administration with reform efforts like Race to the Top and that the last reauthorization of the Elementary and Secondary Education Act (ESEA)—better known as the No Child Left Behind Act (NCLB)—sparked, and act to strengthen and update that landmark law.

The business community has a vital stake in ensuring our schools are producing graduates ready for college and the workforce. Employers often face a lack of skilled employees, even in tough economic times, and consistently spend their resources on training and retraining of their workers:

- According to a recent study, more than half (53%) of business leaders say their companies face a very or fairly major challenge in recruiting non-managerial employees with the skills, training, and education their company needs, despite unemployment close to 10% and millions of Americans seeking jobs.

- The Georgetown Center on Education and the Workforce calculates that employers spend over $400 billion a year in providing both formal and informal training to employees.

- That same study found that by 2018, the postsecondary system will have produced 3 million fewer college graduates than demanded by the labor market.

In addition, the employer community will continue to face challenges in hiring employees within the fields of science, technology, engineering, and math (STEM). On the latest international assessment, American students ranked 17th in science and 25th in math. In higher education, the National Academies reports that the United States ranks 27th among developed nations on the percentage of college graduates who earn a degree in science or engineering.
As Congress considers ESEA reauthorization legislation, there can be no retreat from our national commitment to the success of every child. We cannot turn back the clock to the days when billions of Federal dollars were spent without any expectations for student results for taxpayers’ investment. The Chamber believes that provisions in current law must be strengthened and improved while preserving the fundamental features of this historic education law that are designed to raise student achievement and close achievement gaps for all students. At the same time, changes and updates are warranted. The law should provide flexibility and authority to states so long as strong accountability for student achievement is maintained. The interactive nature of the elements of this law—high standards, robust state accountability systems, and a focus on low-performing schools—merits a thoughtful approach to reauthorization that strikes the right balance between accountability and flexibility. In addition, comprehensive policy changes to the law must be done through the Congressional legislative process and not through an arbitrary waiver or regulatory process.

In order for the Chamber to support ESEA reauthorization legislation, the bill must:

- Contain rigorous accountability provisions that are clear, transparent and include all students and all schools;
- Prepare students to be college- and career-ready;
- Provide real choices and options for students and parents; and
- Recognize and reward effective teachers and principals.

Historically, the United States has had a decentralized education system with a strong emphasis on local control of schools. States, school districts and schools are primarily responsible for ensuring that all children receive a quality public education. However, the Federal government has had a limited but important role in helping to ensure that poor, minority and disabled children are provided a quality education, and this role must continue. The next ESEA should set high expectations for all students, allow states to determine how to reach those high expectations, hold schools accountable for achieving them and apply consequences if they do not.

Over the last decade, the debate surrounding U.S. education policy has shifted from one that focused on inputs and compliance to one that focuses on academic results and how to achieve them for all students. NCLB worked to ensure that schools were held accountable to students, parents, and taxpayers for academic performance and that results—disaggregated by student group—were made public. For the first time, parents,
policymakers and taxpayers know which schools are making progress toward narrowing the achievement gap—and which schools are not. Today, we know how well Hispanic, African-American, and limited English proficient students and students with disabilities are doing. Many schools and teachers around this country have proven that they can increase academic achievement for these students and narrow the achievement gap. Results from the Nation’s Report Card show that our younger students, especially those that are disadvantaged, have made the most progress. In 2008, African-American and Hispanic nine-year olds had made double-digit gains in both reading and math compared to 1999. However, we as a nation have much more work to do to ensure that our schools get all children to proficiency—a challenging, but attainable goal.

NCLB made inroads toward providing students and parents with meaningful public school choice as well as the ability to get free tutoring from among qualified providers. The law also contributed to the expansion of public charter schools, which provide needed options for parents and have greater flexibility to innovate and improve student performance, with over 1.5 million children attending nearly 5,000 charter schools in 40 states in 2011. Before the enactment of NCLB, these choices too often did not exist and many disadvantaged students were trapped in schools with few options to access a better education.

Across the nation, however, improvement isn’t happening fast enough. The achievement gap is still too large in far too many schools. Too many students fail to graduate from high school and those that do are often underprepared for college and the workforce. Therefore, the Chamber supports reauthorizing ESEA to catalyze more rapid improvement in each of these areas.

The Chamber’s priorities for the reauthorization of ESEA are:

**High academic standards and assessments for all students.** Each state should hold all students to the same challenging, relevant academic standards. States should continue to work toward rigorous statewide standards of college- and career-readiness with input from business and higher education and develop tests aligned to those standards. Assessments should be strengthened, providing meaningful and timely information to parents, teachers, and school leaders, policy-makers and taxpayers. The next ESEA reauthorization should include:

- **State-Led College and Career-Ready Standards:** States are leading the way in developing and adopting rigorous standards to ensure that students graduate from high school prepared to enter both college and the workforce, and this process
must continue to be state-driven. The results of state assessments pegged to those standards should be benchmarked against the National Assessment for Educational Progress (NAEP), an independent national testing program also known as the Nation’s Report Card, in order to measure quality and rigor. Proficiency scores on many state exams differ widely from the scores reported on the NAEP exam, which is currently the only source of comparable independent student performance data at the state level. That comparison should be publicly reported so that parents and taxpayers can hold educators and policymakers accountable for the quality of their state’s standards and level of student performance.

- **Annual State Assessments:** States must continue annual statewide assessments of every child in grades three through eight and once in high school in reading and math to objectively measure student progress from year to year. The data these assessments generate yield valuable information on the progress of individual groups of students as well as how to improve student learning.

**Rigorous accountability for all schools.** Annual assessments and strong data systems are the cornerstone of a clear and transparent accountability system that focuses on individual student gains. According to the 2009 Nation’s Report Card, only 33 percent of fourth-graders were proficient in reading and only 39 percent were proficient in math. Only 75 percent of our students are graduating from high school and only about half of minority children graduate on time—jeopardizing their future and our nation’s competitiveness. We cannot expect students who are not on grade level now to become college- and career-ready by 2020—the Obama Administration’s goal—if we do not maintain a strong accountability system with annual targets that generates pressure to improve now. The next ESEA reauthorization should ensure accountability according to the following key principles:

- **Set a Deadline:** As in current law, the revised law must include a timeline and deadline for moving all students to proficiency in reading and math by a date certain. States must set annual measurable goals for the achievement of all students and for subgroups of students by race and ethnicity, low-income status, disability, and limited English proficiency in all districts and schools, with consequences for districts and schools not meeting their goals. As states transition to new college and career-ready goals, timelines should be as ambitious as current law and recognize that significant progress from year to year will be necessary to get students on grade level in the core subjects.
• **Disaggregate Results:** Student achievement data must be disaggregated and all schools must be held accountable for closing the achievement gap, attending to the needs of each subgroup, and meeting high academic standards.

• **Measure Student Progress:** Building on annual assessments, the accountability system should include rigorous measures of year-to-year individual student progress.

• **Include All Students and All Schools:** All schools and all students must be included in the accountability system, not just the lowest performers.

• **Reform Our Nation’s High Schools:** Reform secondary schools and hold them accountable for increasing the graduation rate (using the common definition proposed by the nation’s governors and set out in federal regulations by the U.S. Department of Education in October 2008) and graduating students who are ready for college and work. Ensure efforts to reform high schools bring together strong academics, demanding technical education, and real world experience that will better prepare students for both college and career.

• **Establish a Grading System:** In order to provide the public with understandable information, states should distinguish the performance of schools through an A-F (or similar) grading system that rigorously rates all schools in the state based on the actual performance of their students on state assessments in reading, math and science; how much academic growth students make over time; and progress on closing achievement gaps. This grading system must represent the true picture of student achievement and not just identify a small arbitrary percentage of low-performing schools for intervention. States must target assistance and interventions to schools in each category to ensure that students get the support they need regardless of which school they attend. Interventions must include options for parents of students in low-performing schools, including public and private school choice, tutoring, online learning, and charter schools.

• **Hold Schools Accountable That Have Already Been Identified as Low-Performing:** As states transition to the provisions of more demanding standards, we must not restart the accountability clock begun in 2002. Schools previously identified for improvement under NCLB cannot escape accountability under a new law. Accountability systems must be bridged so that new grading systems are at least as rigorous as current systems.
• **Close or Vigorously Intervene in Low-Performing Schools:** Any school not meeting its annual goals must be subject to rigorous, targeted interventions. In addition, States or districts must vigorously intervene in or close the lowest-performing schools (for example, those identified as D or F schools or those previously identified for restructuring).

• **Hold Schools Accountable for Performance in Science and Improve STEM Education:** The accountability system should include science, holding schools accountable for student performance on assessments given in elementary, middle and high school. In addition, federal funding for STEM education should be focused on scaling up proven programs to improve teaching and learning.

**Clear information and real choices for parents and students.** A variety of meaningful options and clear information should be provided to all families, particularly those whose children are trapped in persistently low-performing schools. Those options should include:

• **Accurate and Timely Information for Parents:** States should provide clear, understandable report cards to parents in time for them to make decisions about their children’s educational options. These report cards should compare their child’s school’s test results with those of other schools and districts within the state, as well as provide information on how their state test results compare to other states’ performance on the National Assessment of Educational Progress (NAEP) test. In addition, parents should be informed about the projected timeline for getting their children on grade level and should be empowered to force expedited action to close or overhaul a school, if necessary. This information will allow parents to know how their school, district and State are doing so that they will have the tools they need to make the best decisions for their child.

• **Choices for Parents:** For students in schools not meeting their annual targets, Title I funds should be portable and used to “follow the child” to wherever the parent believes their child can receive a better education, including free tutoring, public school choice, charter schools, online learning and private school choice.

**Recognize and reward effective teachers and principals.** ESEA should focus on identifying, developing and retaining effective teachers and principals who produce real gains in student achievement and real progress in closing the achievement gap. The next ESEA should include:
• **Performance- and market-based pay programs:** Effective teachers and principals should be financially rewarded when their performance contributes to substantial growth in student achievement and for taking on the most challenging work. Financial incentives can help ensure that the best educators enter and remain in our schools.

• **Evaluation systems based on effectiveness in advancing student growth:** As a condition for receiving federal teacher quality funding, states and districts must develop rigorous principal and teacher evaluation systems primarily based on student growth on academic assessments. These systems should accurately differentiate among educators, and evaluation results should significantly determine decisions about tenure, compensation, rewards, professional development, equitable access to effective teachers, and dismissal. States and districts must also be accountable for ensuring that all students have access to effective teachers.

• **The overhaul of teacher tenure:** By rewarding longevity over performance, tenure policies often hamstring local officials’ ability to ensure that students have access to the most effective teachers. Federal law should encourage, not inhibit, state and local efforts to make changes in their tenure policies to quickly and fairly remove ineffective teachers who fail to improve.

**Innovation and Taxpayer Accountability and Information.** Federal education policy should encourage innovation and promote what works in order to improve student performance and ensure taxpayer dollars are spent wisely. The next ESEA must:

• **Demand financial accountability:** Taxpayers deserve to get a good return on their education investment. Yet, as the Chamber’s 2009 *Leaders and Laggards* report found, “education spending is divorced from results. State and local education systems lack a performance culture and do not have ways to track what they are getting for their education dollars.” The Chamber believes that states and school districts should produce better cost data and analysis to allow schools leaders and the public to make informed decisions about cost versus performance.

• **Eliminate and consolidate existing Federal education programs and provide flexibility with federal education funding:** Federal education programs that are not aligned to national and State priorities should be eliminated. There are numerous Federal education programs that have little to do with increasing
student achievement or ensuring students are college- and career-ready. These programs should be eliminated or consolidated in order to provide states and districts with more flexible resources with which to meet their achievement targets.

- **Encourage Innovation and Technology:** Focus on innovation and technology that personalizes instruction for students and redesigns schools to better use time and people in innovative ways to increase student achievement.

- **Increase competition:** American businesses excel at innovation and should be allowed to compete for Federal funds to serve students and support schools, districts, and states.

- **Enhance Data-Driven Decision Making:** Decisions on where to target resources should be based on reliable data. The statewide data systems that have been developed over the last decade should inform decision-making at all levels by providing timely and accurate information to educators, parents, taxpayers and the public, and by supporting analysis and use of that data. Educators should use this information to differentiate instruction for students, especially for those who are not yet proficient and those who are more advanced. School leaders and policymakers should use this data to guide school improvement efforts and ensure that taxpayers’ investment supports the most effective programs, policies, and personnel.

The Chamber is committed to working with the Congress, the Administration, and other stakeholders to ensure that all children, particularly disadvantaged children, receive a world-class K–12 education. This vital goal requires holding Federal, State, and local education authorities accountable for student performance and empowering parents with the information and options to demand academic excellence for their children.