Testimony of

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On behalf of the National Governors Association (NGA), it is an honor to testify before you today on the recently released NGA federal legislative package, *Innovation America: A Partnership,* and other governor-led state efforts to prepare students for postsecondary education. Founded in 1908, NGA is the collective voice of the nation's governors. It promotes visionary state leadership, shares best practices and speaks with a unified voice on national policy.

**A Call for Action**

Today's U.S. economy is confronted with a new and remarkable paradox. While the economy continues to grow and roughly two million new jobs were created each year since 2004, many American families have a feeling of uncertainty and concern about the economy and their future. When asked the question, "Will your children or grandchildren have a better life than you?" for many the answer is, "No."

According to a recent nationwide public opinion poll conducted by Dr. Frank Luntz for the nation's governors, 9 out of 10 Americans – Democrats and Republicans alike – believe that **if our nation fails to innovate, our children and our economy will be left behind**. And while Americans believe we have the most innovative nation in the world at the moment – ahead of China and Japan – they see America losing ground in 20 years. Why? According to the poll, **Americans believe that other nations are more committed to education**. America's economic future is inextricably linked to education and the public's perception of our education system. Simply put, American cannot lead the new global economy if our educational system is lagging behind.

Our nation has a powerful incentive to improve the education pipeline. In the next decade, two-thirds of new jobs will require some postsecondary education beyond a high school degree. To be competitive and create the conditions for strong economic growth, states need to help all their residents increase their skills and be prepared for lifelong learning. Much is at stake.

"Good jobs"—jobs that are growing quickly and pay enough to support a family of four—require postsecondary education or training. More than two-thirds of workers in occupations and industries that are growing have at least some postsecondary education, compared with one-third of workers in occupations and industries that are declining. Moreover, 67 percent of new jobs created by 2010 will demand skills that require at least some college education. This rapid increase in the demand for postsecondary education will be accompanied by baby-boom retirements, resulting in a predicted shortage of more than 14 million college educated workers by 2020.

While the American higher education system has long been a centerpiece of the U.S. economy, and the launching pad for the jobs of the future, the skills needed by students today are far different than the expectations and education of yesterday. Today, integrating diverse subject matters is as important as mastering individual ones. Students not only need to be well-rounded, they also need entrepreneurial skills, and the capacity to imagine and adapt to the unknown.

**What can be done to secure our economic position in the world? Americas believe the solution is innovation.** Asked in the Luntz survey what action would have the most positive impact on the economy, nearly half (46 percent) said it's "encouraging and supporting innovation in our schools and businesses." Interestingly, focusing on innovation had more support than either tax incentives for small business (28 percent) or raising the minimum wage (24 percent).

**Governors' *Innovation America* Agenda**

Across the nation, governors are confronting these challenges through a bold, comprehensive nationwide initiative, entitled *Innovation America,* lead by NGA Chair, Arizona Governor Janet Napolitano.

Governor Napolitano's *Innovation America* represents a multi-tiered, comprehensive strategy to propel the rapid deployment and development of innovation in America by improving education, encouraging economic development, and ensuring worker competitiveness. Under the initiative, Governors have taken the lead with the following concrete acts:

- **Innovative Thinking:** Established a bipartisan *Innovation America* Task Force of governors, business leaders, and academics to develop innovation-based education and economic strategies in three sectors:
  - Improving science, technology, engineering and mathematics (STEM) education;
  - Enabling the post-secondary education system to better support innovation; and
  - Encouraging business innovation through supportive state policies.
- **State Action:** Collected best practices in education and economic development to inform governors' work and raised private funds to help implement innovation policies; and
- **New Federal Partnerships:** Developed a package of federal legislative recommendations to focus on the role of states in promoting innovation and to compliment federal efforts.

**Governors Lead Innovation State Strategies**

Given the seriousness of the competitive challenge to our nation, governors are developing strategies to accelerate innovation opportunities within their states. Governors are improving and realigning state programs to encourage cross-sector collaboration, target investments and measure outcomes in the critical areas of education, economic development and workforce training. These state strategies, developed by the NGA *Innovation America* Task Force, are further detailed below:

**K-12 Science, Technology, Engineering, and Mathematics (STEM) Education**

Governors know that ensuring a quality education for all students at the K-12 level is critical for the economic well-being of their states. The *Innovation America* initiative seeks to improve the rigor and relevance of science, technology, engineering, and mathematics (STEM) teaching and learning in K-12 classrooms in order to (a) increase the supply of students interested in and prepared for STEM related careers; and (b) help provide all high school graduates the higher level critical thinking, adaptive, and problem solving skills necessary for success in postsecondary education and the workplace.

**Postsecondary Education**

The American higher education system has been a centerpiece of the U.S. economy, producing much of the nation's innovative talent – scientists, engineers, technicians, and managers – and the majority of its publicly-funded research. Over the past several years, however, other nations and regions have entered the global marketplace by successfully duplicating and even improving upon this model. The *Innovation America* initiative seeks to engage governors in rethinking the role of higher education: what are the new models that will carry our country to the next level of innovation and prosperity.

**Regional Innovation**

All states can develop innovation-based economies by building innovation capacity and establishing policies that support their most promising industries and regions (i.e., those areas within the state that contain clusters of high-growth, innovative businesses). States must

recognize their inherent competitive strengths and align policies and investments to support these business sectors and the regions in which they reside. This means that workforce training and educational institutions must address the skills needed to meet the demands of fast-growing firms. R&D investments must be aligned with regional business strategies, and entrepreneurial support efforts must take into account the products and services unique to the region. The *Innovation American* initiative will enhance a state's innovation environment by helping state businesses move into a stronger position to exploit the opportunities presented by changes in technologies and markets – opportunities to increase productivity, develop new products, and expand into new markets.

The federal government, notably the work of the House Education and Labor Committee and this Subcommittee, can play a pivotal role to ensure the economic position of our nation and the future our children through the NGA *Innovation America: A Partnership*.

***Innovation America: A Partnership* with the Federal Government**

America's continued economic prosperity and growth will be driven by the nation's ability to generate ideas and translate them into action. The National Governors Association, together with the Council on Competitiveness, developed a federal legislative proposal to complement federal legislative activity and encourage state efforts to accelerate the rate of U.S. innovation and economic prosperity. The NGA federal package proposes a federal policy framework to assist states in developing collaborative efforts between public, private and education sectors.

A full copy of NGA's legislative package, *Innovation America: A Partnership,* and related NGA education policies are enclosed with my testimony. Our federal legislative proposal contains three broad areas for reform: Education, Workforce Development, and Regional Investment. The following is a brief summation of each section and related governors' federal recommendations.

**Part One: *Education -- Math, Science, and Foreign Language Proficiency***

Aligning and refocusing education from birth to college (P-16) is essential to ensure our nation's competitiveness. The skills needed for individuals to compete and prosper in the global economy require a strong foundation in science, technology, engineering, and mathematics (STEM) and foreign languages. Governors' seek to create a targeted, but flexible and coordinated approach to address these critical national education needs through federal recommendations in the following key areas:

- ***Support for Students and Teachers*.** Programs to encourage students to pursue higher education and careers in mathematics, science, technology, engineering, and critical foreign languages, and to infuse the education pipeline with high quality STEM and critical foreign language teachers, particularly in high-need and hard-to-staff schools.
- ***STEM Education Improvement Grants***. Matching grants to governors or a consortium of governors to provide resources and technical assistance to implement or expand STEM education and infrastructure activities.
- ***High School Redesign Enhancement.*** Programs to expand and replicate governor-led high school redesign efforts around the country.
- ***Voluntary International Benchmarking.*** Grants to allow governors to request a voluntary analysis of state standards with the skills being measured on Program for International Student Assessment (PISA) and Trends in International Mathematics and Science Study (TIMSS) and incentive grants to implement governor-led solutions.
- ***State P-16 Alignment.*** Matching grants to implement or develop aligned state P-16 councils and implement solutions to patch holes in the P-16 pipeline, and direct grants to create efficient state P-16 longitudinal data systems.

**Part Two:** ***Workforce Enhancement***

The strength of America is our citizens – their innovation, creativity, and hard work. Governors' proposal would help states create efficient workforce systems aligned with regional education and economic development; enhance services to workers; and reduce costly administrative burdens to regions, states, and localities, while creating more transparent accountable systems. Specifically, governors recommend changes to the Workforce Investment Act (WIA) and related programs to create the following:

- ***State and Regional Economic Alignment Program.*** The program will increase coordination, innovation, and effectiveness of state workforce programs.
- ***Common Outcome Measures.*** The program will increase workforce system alignment through NGA common accountability measures, while focusing on meaningful customer outcomes related to education and employment readiness, reducing administrative costs and increasing transparency to evaluate federal, state, and local investments.
- ***State and Regional Economic Development through Workforce Investment.*** The program will award matching grants to states to carry out innovative and coordinated WIA programming consistent with the statewide, regional, or sector specific economic and educational interests.

**Part Three:** ***Regional Innovation***

Because competition and innovation will be driven by high-growth economic regions in the 21st century global economy, economic development strategies must encompass and harness state regional assets. Governors' recommend the following to pull together diverse sectors to create a culture of collaboration and cooperation that will accelerate innovation and economic growth for our nation.

- ***Competitive Innovation Grants.*** Competitive planning grants used to establish Innovation Councils. The mission of the councils would be to facilitate collaboration between public, private and educations sectors to accelerate the rates of innovation.
- ***Competitive Research and Development Grants Program.*** This program will provide state and regional innovation Councils with the research and development funds to stimulate the rate of innovation and implement their strategic plans.
- ***Grants for Broadband Deployment.*** This program will provide states with funds needed to increase access, adoption and usage of broadband technology, as well as provide financial assistance to continue to update technology.
- ***Competitive Stimulus Grants.*** This program will provide states with continuing incentives to extend economic development opportunities for innovation-driven industries and services.

For the purposes of today's hearing, NGA was asked to address in further detail State P-16 Councils and recommendations that would prepare students for higher education.

**Education Innovation Begins with P-16 Alignment**

The engines of education – early, elementary and secondary, and post-secondary – must move in the same direction for the U.S. economy to charge ahead and remain competitive. In the 21st century, our economic strength will depend on the ability of each state, and our nation as a whole, to develop a coordinated and aligned education system that supports, trains, and prepares skilled workers.

**State P-16 Councils**
The first step is corralling the fragmented education system with P-16 councils. Across the country, governors are leading efforts to create state P-16 councils to oversee the integration of early, elementary, secondary, and postsecondary education. From California to Georgia to Delaware, approximately 30 states have state P-16 councils or governance bodies.

Through executive orders and state legislation, Governors are creating integrated education systems in which all levels of education coordinate, communicate, and educate as one system instead of separate, isolated silos. While the structures and names of the state councils may vary, the goals are always the same: to create a seamless education system to improve academic achievement and economic development.

Several of the major advantages of state P-16 councils include:

- smoothing student transitions from one level of learning to the next, e.g. high school to college;
- aligning teacher preparation with the demands of today's and tomorrow's classrooms;
- reducing costly administrative inefficiencies, duplication, or inconsistencies;
- identifying and fixing holes in the education pipeline; and
- closing the achievement gap and improving outcomes for all students.

Most notably, for the purposes of our discussion today, state P-16 councils are critical to help prepare students for postsecondary education. Specifically, state P-16 councils can:

- identify the skill gaps for students to prepare and be successful in higher education;
- redesign high school graduation standards to match college entrance requirements;
- target for improvement schools that produce students with high remediation rates; and
- improve student postsecondary success and attainment rates.

**Governors Leading State P-16 Councils**
Governors are uniquely positioned to provide vision and leadership for P-16 initiatives in their states. The bully pulpit of the governor's office is critical to increase public awareness and engagement, assemble the right team at the table, and build and sustain consensus for change. As governors demand results, turf wars or institutional resistance are overcome and traded-in for a common, collaborative vision. Creating a more integrated, seamless education system involves grappling with a host of complex issues, including standards, testing, teacher education, college admissions policies, governance, and funding streams, to name just a few.

**One-Size Does Not Fill All**
P-16 Councils vary in structure, leadership, and membership. Such flexibility is necessary to ensure that the councils will be effective within the context of their individual state and local education systems. Flexibility is vital to both a governor's ability to work within the existing infrastructure as well as to draw informed, committed leadership to participate in the process. The following examples illustrate the different ways in which governors created effective state P-16 councils.

In **Arizona**, in order to bring business leaders, policy makers and educators to the table, the P-20 Council, chaired by Governor Napolitano, was established by Executive Order No. 2005-19 in 2006. The Council, comprised of educators, university presidents, elected officials, and business leaders, is focused on developing a strong foundation in science, technology, engineering and mathematics, and strengthening curriculum and standards to prepare students for post-secondary

education and meet the demands of the workforce. The result is an education continuum, with classes building on ideas that were taught in years prior, and students better equipped with industry-specific skills in high-growth, high-wage occupations that await them when they graduate.

Since taking office, **Virginia**'s Governor Tim Kaine has embraced high school redesign. He pushed the state's P-16 Council to define college readiness and lead the development of a P-16 longitudinal data system. Virginia funded two studies now underway: 1) to identify high-performing high schools and the qualities that make them successful; and 2) to examine academic weaknesses of recent high school graduates, focusing on graduates who are required to take remedial courses upon college entrance—an analysis utilizing the state's longitudinal data system.

Statutory and constitutional changes gave **Florida's** governor the authority to appoint the state commissioner of education and other members of a single governing board that oversees kindergarten through postsecondary systems. With a centralized education governance structure, Florida designed a unified, P-16 longitudinal data system that identifies school districts whose graduates have high remediation rates in postsecondary programs.

In **Indiana**, the governor and state superintendent co-chair the Indiana Education Roundtable, which consists of representatives from K-12, higher education, business, labor, and community groups, as well as state legislators. Working in conjunction with the state board of education, the roundtable raised the state's high school standards and aligned them with the expectations of the state's postsecondary institutions. As a result, Indiana moved from 40th to 17th in the nation in measures of college attendance.

The governor-created **Georgia** P-16 Council includes gubernatorial appointed members from a broad range of businesses, community groups and education agencies, including the Board of Regents and the State Board of Education. The challenge to the council was to work together to "'raise the bar' of academic achievement for all students at all levels." Successes to date include increased enrollment in preschools, changes in students' course-taking patterns towards a more challenging curricula, a rising number of college-ready high school graduates, and revised teacher preparation policies aimed at supporting students from diverse backgrounds in meeting high standards.

**Oregon's** K-16 system inspired by a Governor's Executive Order calls for meetings between representatives of the K-12 and higher education systems. Since then, the state has embraced two primary initiatives: aligning teacher preparation programs with K-12 performance standards, and developing the Proficiency-based Admissions Standards System (PASS). The Oregon University System developed PASS for two reasons. First, PASS aligns university admission standards with the statewide K-12 school improvement plan based on demonstrated competencies and grades. As a result, high schools across the state have begun redesigning their curriculum.

**Delaware**'s P-16 Council, as part of the state's communication strategy around increased high school graduation requirements in math and science, held focus groups with parents and business leaders to determine their level of awareness about and support for the increased expectations for high school graduates. Focus group participants questioned whether the state and its districts and schools have the necessary capacity—in the form of highly qualified teachers, facilities, district and state support, public support, and funding—to meet the demands. In response to the concerns raised by these focus groups, Delaware developed recommended math and English language arts

curricula; it has also charged subcommittees with the task of making recommendations for providing supports to teachers and students that would help students meet higher expectations.

**Congressional Action to Innovate & Help Prepare Students for College**
Governors would like to partner with Congress to accelerate education innovation. Let me point to several additional specific ways that Congress can support state innovation and best practices.

- ✓ **Support State P-16 Councils and Solutions:** P-16 councils are innovative and proven best practices that should be accelerated across our nation. Funding for this activity remains an issue. Though some P-16 councils (Georgia, Maryland and Wisconsin) have sustained funding and dedicated staff, most do not. Moreover, the lack of funding impedes implement of innovative council-identified solutions.

  Congress can overcome this barrier by partnering with governors to create and fund state P-16 Council Development Grants, and P-16 Council Solutions Grants to governors, as outlined in the *NGA Innovation America: A Partnership* proposal. In those states with existing P-16 councils, Congress can support immediate action with incentive grants and technical assistance to implement solutions. Now is the time for action. Governors are willing to commit resources to this important endeavor, if you will partner with them. This work could be supported through new programs or new allowable uses of existing federal resources.

In addition, Congress can help innovate in education through other strategies, such as:

- ✓ **Support State Determined P-16 Longitudinal Data Systems:** Governors are also engaged in developing longitudinal data systems that are capable of tracking individual students, through the use of a numerical identifier, through the K-12 system and into the postsecondary education system. Such systems allow schools to track the progress of individual students as well as grade level cohorts of students as they move through the P-16 systems. Congress accelerate this important work by supporting, or allowing federal funds to be used, for P-16 Data System Grants as recommended in the *NGA Innovation America: A Partnership* proposal.

- ✓ **Leverage and Expand State High School Redesign Efforts:** Governors are also leading other college readiness initiatives, including increasing access to Advanced Placement coursework, improve statewide access through virtual schools, strengthening P-16 longitudinal data systems, and increasing access to dual enrollment and early college options. This myriad of strategies provides a wide range of students with an increased opportunity for college readiness and a better chance for success in all of their post secondary pathways. Congress can support governors' work by expanding access to Advanced Placement (AP), International Baccalaureate (IB) and certificate programs for all students and preparation for teachers and developing and enhancing state dual enrollment and early college programs. Additional recommendations are also proposed by governors' in this exciting and promising area of reform.

**Conclusion**
Governors heard the clarion call of their citizens to take action. And I am pleased to report that in every corner of our nation, governors are leading.

Governors' federal recommendations – education, workforce, and economic development – form the foundation for a new state-federal partnership to propel our nation forward and stay ahead in

the new global economy. America's greatest asset has always been our human capital. Our nation was built by passion, creativity, and sheer determination. Each generation successfully worked to produce a better life than the last, and to pass on that dream to their children. This quintessential "American" dream endures.

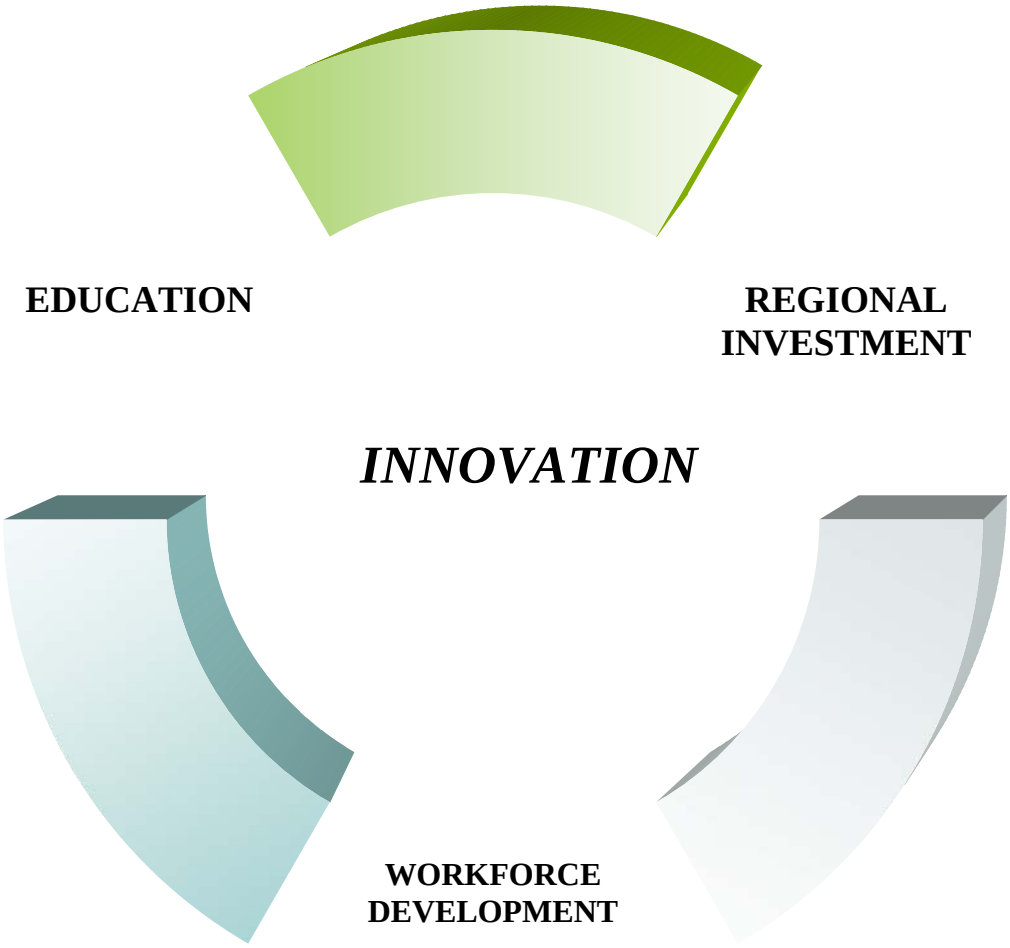
A new revitalized, coordinated, and targeted approach will help ensure our collective fate. Governors hope to forge a new state-federal partnership to ensure that America remains competitive in the 21st Century through *Innovation America: A Partnership*. Our nation must provide students and workers with the foundation for lifelong learning.

The nation's governors stand ready to work with you.

**Attachments**

- *Innovation America: A Partnership*
- NGA Policy Position ECW-13: High School Reform to Lifelong Learning: Aligning Secondary and Postsecondary Education
- NGA Policy Position ECW-15: Principles of Federal Preschool-College Alignment

# INNOVATION AMERICA:
## A Partnership

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# Purpose

This paper proposes a federal policy framework to assist states in developing collaborative efforts between public, private and education sectors to accelerate the rate of U.S. innovation and promote competitiveness and economic prosperity.

# Findings

***The Challenge***

United States' economic growth in the 21st century will be driven by our nation's ability to generate new ideas and translate them into innovations. These innovations will be utilized to develop new services and products that create value, generate high wage jobs and propel economic growth.

Recent trade agreements and the availability of technology have created a true world marketplace. The new global economy is extremely competitive, with high-value products flowing from knowledge-based regional economies to all parts of the world.

During the 20th century, the United States competed with either high wage, high technology countries in the developed world or low wage, low technology countries in underdeveloped regions. Now the United States must compete with high technology, low wage emerging nations. Some of these emerging nations are rapidly growing large countries—such as India and China—others are smaller, including Taiwan, Korea and Singapore or the emerging economies of Eastern Europe and South America.

Some of these countries compete with the United States in the production of manufacturing goods such as textiles, electronics and automobiles, while others are challenging the United States in Web construction, call centers, software development and services. Essentially, globalization has reduced many of America's industrial advantages and opened all sectors of the economy to increased competition.

While some view global competition as pitting nation against nation, it is actually a contest between high-performing economic regions throughout the world. Exporting firms located in Phoenix are just as likely to compete with firms in Bangalore, India; Guang Zhou, China; or Dublin, Ireland as with firms around Boston, Massachusetts; Northern Virginia; or Austin, Texas. These innovation "hot spots" feature fast growing, high wage companies and strong regional assets—such as quality educational institutions and a robust research and development environment—and are the catalysts for growth regionally and nationally. It is the competitiveness of a nation's innovative regions in trading international goods and services that will determine the relative wealth of that nation over time.

Given that the United States is a high wage nation, its ability to compete through low-cost production of internationally traded goods is limited. Through innovation, the United States must transform industries, reshape markets and stay on the leading edge of technology. Government and the private sector also must collaborate more effectively to create synergies between diverse knowledge, information and technology assets.

***Innovation***

The term "innovation" is defined broadly as the creation and application of new ideas that generate economic and social value. In the 1990s, innovation was about technology and its application. Today innovation is much more than technology transfer and product transformation; it is about reinventing strategies, products and processes and creating new business models and new markets. It is about selecting the right ideas and executing the correct strategy quickly and efficiently. Often the greatest barrier to innovation is not a lack of ideas, but the inability to coordinate diverse components to execute a plan effectively.

Innovation is not limited to the new ideas and findings generated by research laboratories. Many innovations stem from contact with customers and suppliers or simply re-envisioning an existing product. Sometimes it involves adopting existing technology for a new purpose. These types of innovations are spurred by collaboration, particularly among various disciplines, and a strong entrepreneurial culture.

Innovation requires talented people with the skills and resources necessary to compete and thrive in the global marketplace. It also requires those people to collaborate and cooperate. Such synergies are best generated on a regional basis where ideas, people and resources are encouraged to intersect.

***Why States***

States are critical to creating innovative economies for a variety of reasons. First, states are the major investors in human capital: through preschool, elementary and secondary education—and state colleges, universities and technical schools—state and local governments are funding the overwhelming percentage of this investment. States also are the major providers of physical infrastructure including roads, bridges, highways, ports and local transit, and they often have jurisdiction over rights of way for broadband. Increasingly, they also directly fund research and development.

Many successful models for regional innovation exist throughout the United States. It is difficult to create an innovative region from scratch, but a state can nurture such development by reducing regulatory barriers, providing research funding to its universities, creating tax policies that support the growth of innovative industries and utilizing the governor to bring all parties to the table to develop growth strategies for the region. Because innovative, fast growing companies typically locate near state assets such as universities and transportation centers, it is the proper role of government to assist in accelerating innovative economies. It is also possible for two or more states to enhance the assets of a region that adjoins common borders or even coordinate strategies to assist the entire region. A prime example for a multi-state high growth region is the Route 128 corridor in New England, where education assets near Boston and high-tech businesses along the corridor fuel job growth in Southern Vermont, New Hampshire and Rhode Island.

Given the seriousness of the competitive challenge to the United States, it is critical for governors and states to focus on this issue and develop strategies to nurture innovation opportunities within their states. Strategies must be proactive and aggressive, and they must increase the public awareness of the problems and opportunities of this economic challenge.

## Solutions

To spur innovation, states must improve and realign their programs to encourage cross-sector collaboration, target investment and measure outcomes. Specifically, states should focus time and resources in the areas of improving education, encouraging economic development and enhancing workforce training.

First, states must boost the development of skilled human talent that powers innovation. There is growing agreement that American students are not attaining the level of basic knowledge they need in literacy, math, science, technology and engineering and are falling behind their peers in many other countries. Governors are uniquely positioned to address this challenge through a variety of means from teacher training to curriculum enhancement.

Second, states must improve the economic environment and institutions that support innovation. To maintain American intellectual leadership in the development and marketing of new processes, products and services, states need to cultivate new technologies and aid their commercialization through well-aligned investments in education, R&D and entrepreneurship. In addition, states must help entrepreneurs establish relationships with researchers, eliminate policies that inhibit the transfer of new ideas from the lab to the market and enhance opportunities for entrepreneurs to obtain the early-stage investing on which innovative products depend. A new program launched by the U.S. Department of Labor called Workforce Innovation in Regional Economic Development (WIRED) is a good example of a program that fosters regional innovation.

Third, states must help the current generation of American workers respond to the changing global marketplace. Industries and professions that in the past faced little international competition now compete against similarly skilled workers overseas. Just as innovation transcends the disciplinary stovepipes of the past, so must worker assistance programs respond to this changing dynamic. Economic development efforts must be linked to and coordinated with workforce training programs. If all workers are going to succeed, the same collaboration that generates new ideas and products must also work to develop workers at all levels with the skills necessary for the future.

To enable these solutions, the federal government should partner with states to encourage these inherently complementary strategies. The following sections outline competitive grant programs and federal statutory changes that, if enacted, would accelerate state action by reducing barriers and targeting investment. The proposals call on state and federal governments to emphasize math and science to improve the nation's pool of skilled, human talent over the long-term; promote innovative policies and institutions that support high-growth regions and businesses that yield short-run benefits by stimulating employment; and create more flexible workforce programs to address the critical skill and labor needs of industries today and provide the skills necessary for future growth and competitiveness. The proposals also emphasize the need for strategic planning and collaboration, targeted investment to generate new ideas and innovations and the development of systems to measure outcomes and provide accountability.

# Proposal

***Section One: Math, Science and Foreign Language Proficiency***

Governors are leaders in aligning state education systems from preschool to college, reforming education, and working to improve the competitiveness of our nation's future workforce. Enhancing P-16+ education (early childhood education through college or beyond) is critical to ensure our nation's competitiveness. The skills needed for individuals to compete and prosper in the global economy require a strong foundation in science, technology, engineering and mathematics (STEM) disciplines, but collaboration and cooperation that are the hallmarks of innovation demand additional skill sets in areas like writing, communications and languages. The recommendations below seek to create a flexible, but coordinated plan to address these critical education needs. This endeavor will require a strong federal-state partnership, with a federal role in the following seven areas:

1. **Student Tuition Assistance for STEM and Critical Foreign Language Career Paths** (to encourage students to pursue higher education and careers in mathematics, science, technology, engineering, and critical foreign languages)
2. **Support for Teachers** (to infuse the education pipeline with high quality teachers in mathematics, science, technology, engineering, and critical foreign languages, particularly in high-need and hard-to-staff schools)
3. **STEM Education Improvement Grants** (to provide resources and technical assistance to governors to implement or expand STEM education and infrastructure activities at the state, regional, or local level)
4. **High School Redesign Enhancement** (to expand and replicate governor-led high school redesign efforts around the country)
5. **P-16+ Council Grants to Governors** (to implement councils, generate solutions, and patch holes in the P-16+ pipeline)
6. **P-16+ Data System Grants to Governors** (to create aligned, comprehensive, and efficient state P-16+ education data systems)
7. **Voluntary International Benchmarking (**to provide governors with incentive funds to analyze state standards with PISA or TIMSS and to implement governor-led solutions)

Through these seven reforms, the proposal seeks to create a federal-state partnership with clear governance and resources that will help move the engines of education, business, and the workforce in the same direction towards enhancing state and regional innovation and economic growth.

***1. Student Tuition Assistance for STEM and Critical Foreign Language Career Paths***

This program would encourage students to pursue careers in STEM areas by:

- Expanding eligibility for the federal Academic Competitiveness and National SMART Grants program to include traditionally underrepresented students in math, science, technology, engineering, and critical foreign language majors and careers. Priority should be given to Pell eligible students. Part-time students should be eligible for prorated AC/SMART grants. States and local districts must retain the authority to set a rigorous high school curriculum in this expansion.
- Providing federal tuition assistance or scholarships to students who pursue a B.A. or M.A. in a STEM subject or foreign language while concurrently completing teacher

certification (would require commitment to teach in a hard-to-staff or high-need school for at least 3 years).

### *2. Support for Teachers*

This program would help recruit, retain, and inspire high quality K-12 teachers in STEM areas:

- Provide loan forgiveness in annual payments for current teachers who become highly qualified and agree to teach for at least 5 years in Science, Technology, Engineering, Math (STEM), or critical foreign languages. Teachers must be serving in high-need or hard-to-staff K-12 public schools, or in states or regions demonstrating a high-need for teachers in the subject of their certification.
- Provide federal funds to governors to provide training and coursework through a state alternative certification program to professionals in STEM specialties and critical foreign languages to become teachers in these areas. These professionals must teach in hard-to-staff schools (K-12) or in regions demonstrating a shortage of teachers in the subject of their certification.
- Increase funding for the federal Teacher Incentive Fund to help retain high quality, high-need teachers.

### *3. STEM Education Improvement Grants*

This program would create a competitive grant to governors or a consortium of governors to develop or enhance K-16 STEM education at the state, consortium, and local level.

- Governors (or a consortium of governors) would be required to submit a state plan to a third-party entity with the expertise to review state plans, provide technical assistance to governors, and provide forums to share exemplar state models/best practices to develop and expand K-16 STEM education initiatives to governors.
    - The state plan would include: a description of the proposed STEM education reform activities; a timeline for this plan; accountability measures related to the plan; a plan for long-term sustainability; and the capacity of the state to implement the plan as a whole.
- Grants will be awarded with a priority on demonstrated need (i.e. business need, large-scale dearth of workers in certain sectors, low-performing schools, teacher shortages). Grants would also be awarded for innovative ideas or exemplary consortium proposals.
- At least one member of the business and economic development community must be included in developing the state plan.
- The grant would require a $1 non-federal match for every $2 of federal funding.
- Private or non-profit financial support would count towards the non-federal match portion.
- Any activities supported by the grant must further the goal of preparing students for success in education and the workforce through STEM initiatives.
- Any STEM education activities supported by this grant must be aligned with the goals, requirements, and definitions within existing federal education laws, including NCLB, IDEA, Carl D. Perkins, HEA and Head Start.
- Grants would be for a five year period.

### *4. High School Redesign Enhancement*

Governors are leading high school redesign initiatives to increase academic rigor, relevance, and options in high schools. State high school redesign efforts must be leveraged and expanded to increase our competitiveness.

This program would provide federal funds to governors to support:

- Expanding access to Advanced Placement (AP), International Baccalaureate (IB), and certificate programs for all students, with a priority on STEM and foreign language programs, including paying for student AP or IB testing, training teachers to teach AP, IB, and certificate courses, and administering more AP, IB, and certificate courses and assessments.
- Developing, expanding, and improving state dual enrollment and early college programs (bridging high school and college) in a variety of coursework areas, including paying for qualified college credits.
- Collaborating with business and local schools to develop and provide mentoring, shadowing, and internship opportunities to students in grades 7-12.
- Expanding the use of technology in teaching and learning including e-learning opportunities, virtual High Schools, e-mentoring and e-portfolios.

### *5. P-16+ Council Grants to Governors*

P-16+ Council Grants will provide governors (or a person or agency selected by the governor) the clear authority and responsibility for convening key state stakeholders to examine the alignment of the state education system from preschool through college (and graduate school, if so desired).

The goal of P-16+ Council Grants is twofold: Governors may apply for one or both of the below-mentioned grants.

a. *P-16+ Council Development Grants* will enable governors to create, implement, and further develop existing or new state P-16 Councils in order to:
    - Align and coordinate the education and workforce goals of state education systems;
    - Identify "leaks" in the pipeline where alignment is lacking or where students are struggling or being lost, or where clear, pervasive achievement gaps are documented; and
    - Develop solutions to align the state education system at "leak" points and meet the educational and workforce goals of the Council.

    The federal/non-federal match for these grants will be $2:$1. The non-federal match may include donations from public and private entities as well as in-kind resources. Grants shall be issued to governors for a three-year period, and governors must provide a study of the P-16+ state system as well as recommendations for alignment at the end of this three year period.

    Minimum requirements for the membership of a new state P-16+ council are:
    - the governor or a governor's designee

- one agency-head representative from each level of education (early childhood, elementary and secondary, community colleges, and colleges and universities);
- a business representative (from companies) or a community representative; and
- a state workforce representative.

b. *P-16+ Council Solution Grants* will provide incentive grants and technical assistance to states to implement key solutions generated by their Council.

The federal/non-federal match for these grants will be $2:$1. The non-Federal match may include donations from public and private entities as well as in-kind resources. Grants shall be issued to governors for two or four year periods and include a plan to evaluate success. A third party, as outlined in Section 3, would administer the grant program.

***6. P-16+ Data System Grants to Governors***

These grants will allow governors or a consortium of governors to plan for, create, or further develop an aligned P-16+ data system to collect and track information on a range of indicators.

- Grants to governors shall last for up to 3 years, and may be renewed for up to 2 years through a competitive application process to the third party entity in section 3 of this proposal.
- States with existing longitudinal data systems shall be allowed to modify the existing system using this grant.
- The first year of the grant shall be used for assessing existing data capacity within the state, developing MOAs among state agencies for the share and use of data and information, and designing the P-16+ data system.
- The second and third years of the grant shall be used to build and implement the data system.
- After the first year of the grant program, each grant recipient or designated representative shall complete and submit to the designated third party entity a brief multi-page survey common across all states, developed by the third-party, which may include:
    - longitudinal and short-term measures to be included,
    - how students will be identified,
    - student achievement, teacher certification or retention rates
    - additional areas requiring technical assistance, or
    - federal barriers or costly burdens that prohibit or slow implementation of P-16+ data systems
- After the third year, each grant recipient or designated representative shall complete and submit a brief multi-page survey common across all states which may include:
    - Status of implementation of the data system
    - Any modifications to the P-16+ data collection and reporting system, and
    - Any federal changes necessary to implement the state designed system
- Information from these surveys would be made publicly available.

Governors may apply for the P-16+ Council Grants, the P-16+ Data System Grant, or both of these grants.

### *7. Voluntary International Benchmarking*

This program would:

- Provide federal funds to the National Academies of Science (NAS) to:
  - Provide analysis to states, upon Governor's request, on how state standards benchmark with skills or the preparation for skills being measured on PISA or TIMSS.
  - Publicly report on states that request the alignment of standards with PISA or TIMSS, for grades 5-12 at a minimum and grades P-16+ at a maximum.
- Provide governors with voluntary incentive funds to:
  - Participate in the Voluntary International Benchmarking analysis for grades 5-12, at a minimum, and P-16+ at a maximum.
  - Implement governor-determined solutions, in coordination with a P-16+ Council if available, to address problems identified in benchmarking analysis.
  - Grant period would be four years.

## *Section Two: Workforce Enhancement*

The strength of America is our citizens – their innovation, creativity, and hard work. Our workforce system must be transformed for the 21st century global economy to be skilled, nimble, and flexible and support lifelong learning and restore our nation's competitive edge. NGA's workforce enhancement proposal would help states create efficient workforce systems aligned with regional education and economic development; enhance services to workers; and reduce costly administrative burdens to regions, states, and localities, while creating more transparent accountability systems.

### *1. State and Regional Economic Alignment Program*

The Program will increase coordination, innovation, and effectiveness of state workforce programs by:

- Expanding state flexibility by authorizing governors, at their discretion, to integrate two or more of the following funding streams at the state level: WIA Dislocated Workers, Wagner-Peyser, WIA Adult, WIA Youth, and Adult Education.
- Pairing funding flexibility with new accountability by requiring state workforce systems to align with state or regional economic development goals.
- Encouraging state and local flexibility because the program is optional and states can pick and choose included programs. Therefore, the included programs will vary from state to state based on local, state, regional, and sector specific economic development and workforce needs.
- Helping ensure a federal investment into worker training by preserving individual federal line items for all included programs to insulate against creation of a federal block grant or reduction in federal funds.
- Developing common measures to increase accountability, focus on customer outcomes, and reduce administrative costs.

***2. Common Outcome Measures***

The program would increase workforce system alignment through common accountability measures, while focusing on meaningful customer outcomes related to education and employment readiness, reducing administrative costs, and increasing transparency to evaluate federal, state, and local investments. Specifically, this optional state program would replace burdensome federal reporting requirements with new common workforce measures in five areas, short-term employment, long-term employment, literacy and numeric gains, earnings, and certificate completion. This program would also provide funds to implement the new common measures.

***3. State and Regional Economic Development through Workforce Investment***

The program will award grants to states to carry out innovative and coordinated WIA programming consistent with the statewide, regional, or sector specific economic and educational interests. The funds are to be used by the state to implement or replicate innovative programming that improves coordination between WIA and:

- related federal workforce and educations programs; or
- statewide economic development; or
- business needs.

State, regional, and sector specific economic development and workforce needs and strategies are to be determined and defined with input from lead state agencies and state workforce boards, along with representatives from higher education, community colleges, career and technical education institutions.

Grants will be awarded in two parts. Part one: one-year planning grants will be awarded to 25 states for developing an innovation plan to coordinate WIA resources with other federal and state workforce and education programs in support of the Governor's regional, economic, or sector-based workforce investment goals. Funds could be used to assist states in the development of goals.

Part two: States that have already developed plans may also apply for implementation grants. The grants would be awarded to 10 states to implement their innovation plan over three years. Implementation grants would require a non-federal match of 20%.

***Section Three: Regional Innovation***

Because competition and innovation in the 21st century will be driven by high-growth economic regions, economic development strategies need to encompass regional assets. Governors are uniquely situated to organize regional development because the scope of their authority includes all aspects of the public sector and all regions within their states. The following programs are designed to build on the ability of governors to pull together diverse sectors to create a culture of collaboration and cooperation that will accelerate innovation and economic growth.

***1. Competitive Innovation Grants***

Innovation grants would be competitive grants administered by the U.S. Department of Commerce to encourage states to accelerate regional innovation and economic growth. The grants would be used to establish innovation councils, which would work to develop regional partnerships between state and local government, secondary and postsecondary education, and the private sector. The mission of the council would be to accelerate the rates of innovation by developing and implementing strategic plans that target and structure investments in education, R&D, entrepreneurship, and related economic activities. These strategic plans should include recommendations to:

- enable states to designate and organize regional governance bodies;
- enable Governors to realign existing jurisdictions for economic development, workforce development, and higher education to fit a regional or statewide approach;
- assess regional and statewide assets, current innovation potential, and growth potential;
- set goals for increased performance including, but not limited to, high school graduation rate, proportion of workforce consisting of civilian scientists and engineers, business R&D as a percentage of gross region produce, number of start-ups; and,
- create new partnerships with academic institutions and the private sector and develop targeted investments.

Members of the councils would be appointed by the governor, chaired by a representative of the private sector, and designed to encompass a state, an economic region within a state, or regions across adjoining states. Pre-existing councils and attendant programs would be eligible to participate. If multiple proposals are made from a state, the Department of Commerce will consider proposals in priority order from the Governor.

As a condition of the federal grant, each state would agree to provide a 20 percent non-federal match.

The Assistant Secretary for Economic Development at the Department of Commerce would both administer the grants and make final decisions on which states receive awards. The Secretary would establish an advisory council, including representatives of the private sector, members of Congress and Governors, to develop eligibility criteria and reporting requirements, review the proposals and make recommendations to the Assistant Secretary on the selection of states.

***2. Competitive Research and Development Grants Program***

This program will provide state and regional innovation councils with the research and development funds to stimulate the rate of innovation and implement their strategic plans.

The regional or state councils must have already been selected to receive one of the discretionary grants. The intent is to make awards to the state or regional councils that have the best proposals in terms of both accelerating the rate of innovation and creating high wage jobs.

The proposals should specify which state and regional governments are applying, and whether any federal laboratories, institutions of higher education, non-profit research groups or private sector entities are participating. To ensure robust private sector participation, a minimum of 10 private sector firms should be identified as participants.

As a condition of the federal grant, the applying council would commit to providing a one-third non-federal match.

The Assistant Secretary for Economic Development at the Department of Commerce would both administer the grants and make final decisions on which councils receive awards. The Secretary would establish an advisory council, including representatives of the private sector, members of Congress, and Governors, to develop eligibility criteria and reporting requirements, review the proposals and make recommendations to the Assistant Secretary on the selection of states.

***3. Grants for Broadband Deployment***

As technologies change and needs for more and better broadband infrastructure increase each year, funds must be available to create programs to ensure states close digital divides and also continually attract new investments in telecommunications infrastructure. This program will provide states with funds needed to increase access, adoption and usage of broadband technology, as well as provide financial assistance to continue to update technology.

The U.S. Department of Commerce will be responsible for administering and distributing grants to public-private partnerships formed by states to develop and implement plans which identify and create effective strategies to meet the technology needs of communities and business. Pre-existing public-private partnerships would be eligible to participate. Public-private partnership plans should:

- Develop regional map-based technology relating to the availability and use of broadband and computers. By identifying the gaps that exist, the public private partnership can focus on effective strategies to meet the technology needs (current and future) of businesses and other users.

- Design development programs that focus on community-level technology applications including, but not limited to, math, science, health, government and job skills.

- Create programs that deliver affordable computers and broadband access in underserved areas and populations.

***4. Competitive Stimulus Grants***

This program will provide states with continuing incentives to extend economic development opportunities for innovation-driven industries and services.

States with cabinets or agencies devoted to economic development would compete for federal funds to leverage state funds dedicated to spur innovation. Grant funds would be administered by the Economic Development Administration within the U.S. Department of Commerce. To receive federal funding state agencies should develop programs that concentrate on, but are not limited to:

- creating clusters of innovation-driven industries within the state;
- promoting companies to work with state universities to undertake research and development work leading to innovation and technology development;

- supporting the commercialization on innovative ideas and technologies developed within the state;
- provide for investment in facilities used to pursue research; and
- encourage venture capital formation by certifying privately operated venture funds.

## ECW-13. HIGH SCHOOL REFORM TO LIFELONG LEARNING: ALIGNING SECONDARY AND POSTSECONDARY EDUCATION

### 13.1 Preamble

Governors are leaders in high school reform and higher education. Federal policy should support their authority, initiatives, and innovation. States are implementing and developing strategies to increase student participation in rigorous college preparatory courses, better align expectations between high school and postsecondary education, hold these systems accountable, and ensure students graduate from high school ready for college or the workplace in the global economy.

Governors recognize that education is a fundamental state responsibility. To ensure the proper federal-state-local partnership, federal education laws and regulations must be accompanied by broad flexibility. While states invest significant resources in education programs, Governors also recognize and appreciate the federal government's contribution to provide additional resources or assistance for those most in need.

High school and higher education reform require systemic change in federal education policies to break down barriers, align federal education laws, and allow for greater flexibility at state and local levels. Also critical to reform will be an increased focus on rigor and relevance of secondary and postsecondary school for all students. Federal education programs must be aligned to support state high school reform efforts in order to ensure that every student graduates prepared to succeed in and contribute to the global economy. Federal funding must be appropriated to meet new school improvement goals and current mandates.

In this new economy and era of education reform, now is the time to reform postsecondary education by increasing relevance and rigor, accountability, and linkages with kindergarten-12$^{th}$ grade (K-12) education and the workplace, and by expanding financial aid to students of all ages. Governors recognize the essential role the federal government plays in ensuring access to postsecondary education through student financial aid in the form of grants, work-study, and loans. Additionally, the federal government should reinforce its commitment to postsecondary education by focusing on need-based student aid.

### 13.2 Principles for High School Reform

Governors recommend the following principles for federal high school reform.

- Support state efforts to reform high school, increase academic rigor for all students, and enhance the value of the high school diploma to prepare students for college and the workforce.
- Recognize Governors' responsibilities in early education, K-12, and postsecondary education, and strengthen their authority to coordinate statewide education policies across grades and education settings.
- Provide capacity-building incentives to states to increase teacher supply and retention, as well as education research.
- Better align federal program requirements across federal education laws from early education through college and the workforce, including career and technical education programs, and special education programs, as well as teacher education programs.
- Authorize states to provide diverse learning options and assessment options, including the option for growth models, determined at the state level.
- Provide support for new models of teacher and school leader compensation.
- Support guidance and counseling services for students, including early college planning and preparation.

## 13.3 Recommendations for High School Reform

Governors support the following recommendations to increase state capacity to reform high school, align secondary school with postsecondary or college expectations, and promote lifelong learning.

**13.3.1 Preschool-College (P-16) Alignment of Educational Standards, Systems, and Expectations.** Governors have taken the lead in recognizing the fundamental state responsibility for a seamless progression from early childhood through lifelong learning opportunities. P-16 alignment is critical to ensure that students are prepared for and successful at each step within the education system. Federal high school and higher education laws and regulations should be aligned to encourage, fund, and provide technical assistance for capacity building towards education and workforce alignment. Congress should refrain from establishing any federal mandates to ensure maximum state and local flexibility to create aligned systems.

**13.3.2 Diverse Learning Opportunities for Students of All Ages.** A one-size-fits all approach to high school learning is outdated and does not support the diverse needs of students. Governors encourage Congress to support state and local policies and programs that expand the availability of learning opportunities for students of all ages including, but not limited to, virtual school options, service learning, internships, apprenticeships, programs addressing out-of-school-youth, alternative learning programs, and the availability of financial aid.

Diverse learning options can increase access to postsecondary education and lower costs. Governors urge Congress to afford students participating in state-accredited distance and on-line education programs full access to federal student financial assistance. The Higher Education Act (HEA) should provide the U.S. Secretary of Education with the authority to exercise discretion to allow states and institutions to appropriately experiment with new ideas and approaches to meet the financial aid needs of students enrolled in such programs.

**13.3.3 K-12 Accountability.** Governors support state efforts for rigorous testing and assessment of high school students. States have made considerable progress to institute standards-based testing and demand greater accountability in K-12 education. Governors urge Congress to closely consult with states on any federal expansion of testing and to continue to respect Governors' authority over education. Any costs associated with federally mandated testing or federal reporting on state exams must be completely covered by the federal government. Maximum flexibility in designing state accountability systems, including testing and other indicators of achievement, is critical to preserve the unique balance involving federal funding, local control of education, and state responsibility for system-wide reform. Maximum flexibility in state testing will help improve how students are assessed for academic proficiency and postsecondary readiness. Flexibility should include the option for states to utilize growth measures to assess student performance. Additionally, Congress and the Administration should provide support to low-performing high schools and high school students.

**13.3.4 Training for New Teachers and Professional Development for Teachers and School Leaders.** High school reform will require new investments in the capacity and expertise of teachers and school leaders. Governors support expanded flexibility and capacity to increase professional development opportunities for secondary school teachers and school leaders, in particular those individuals working in hard-to-serve schools or critical shortage areas, such as mathematics, science, reading, and special education. Teachers and school leaders must receive the professional support and training needed to provide students with the skills necessary to compete in a global society, particularly in science, technology, engineering, mathematics (STEM), literacy, and international and language studies.

**13.3.5 Models for Teacher and School Leader Compensation.** Governors understand that systemic improvement in high school achievement, as well as college and workplace readiness, may require additional support for teachers and school leadership. High schools must compete with other more highly compensated professions for teachers and school leaders, especially in the areas of mathematics and science. Congress should continue to support and expand state-administered pilot projects on performance pay, especially in critical shortage areas or hard-to-staff schools.

**13.3.6 High School Rigor, Relevance, and Options.** Governors are working to improve high school graduation rates and increase the percentage of high school graduates who are entering college prepared for the rigor of postsecondary education. Establishing curriculum and secondary school courses of study is a uniquely state and local function, and federal laws prohibit the federal government from establishing, directing, or

controlling curricula. States must retain the authority to define high school rigor and rigorous secondary school courses of study for the Academic Competitiveness Grant program.

- **Dual Enrollment and Early College.** Governors recognize the importance of promoting innovation and integration among secondary, postsecondary, and industry-recognized institutions. Federal policies should encourage—not discourage—promising state efforts in dual enrollment programs that permit students to obtain high quality college-level credits or provide the opportunity to earn an industry-recognized credential while still in secondary school. Specifically, Congress should encourage and support state dual enrollment or early college programs that provide accelerated educational opportunities and allow students to obtain both high school diplomas and significant college credit. Congress also should allow high school students participating in these programs to be eligible for federal financial aid.
- **Industry Certification, Advanced Placement, and International Baccalaureate Programs.** Congress should provide financial incentives to states to support industry-recognized certification exams among high school and postsecondary school students. Congress also should support state efforts that encourage more students to enroll in Advanced Placement (AP) or International Baccalaureate (IB) coursework and pay for student AP testing.
- **State Scholars.** The State Scholars Initiative supports state efforts to voluntarily develop and promote more rigorous coursework for high school students and offers incentives to those students accepting the challenge. Governors believe that funding should be adequate so that all school districts in any interested state could voluntarily participate in the program.

**13.3.7 Guidance and Counseling Services.** Congress should maintain federal support for counseling services to secondary school students. Governors support federal programs, such as Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP), the Leveraging Educational Assistance Partnership (LEAP), and the Elementary and Secondary School Counseling Program (ESSCP). In all three programs, Congress should provide states and local school districts with greater flexibility. Under the ESSCP program, local school districts should be given flexibility to allocate resources between the elementary or secondary school level for key federal programs. Congress also should reauthorize GEAR-UP, and other federal programs that encourage college attendance, in an equitable way that allows students to benefit from these opportunities in all states that apply for grants.

Governors understand the importance of early college planning and preparation. Congress should help expand capacity and technical assistance for state strategies that promote early college awareness, including middle school programs that focus on the importance of high school to prepare for college and college admissions tests.

## 13.4 Carl D. Perkins Career and Technical Education Act

The reauthorization of the Carl D. Perkins Career and Technical Education Act (Perkins) is an important component of high school reform. Career and technical education can bridge the transition between high school and postsecondary activities by providing students with real-world skills to better prepare for the 21st century workplace. Previously implemented as a separate track for students, career and technical education now holds the promise of providing students the relevance and applied practice, particularly in mathematics, science, and technology, that ensure that they stay in school and graduate prepared for college and the skilled workforce. In particular, the Perkins reauthorization should improve the academic rigor of career and technical education for students. To this end, Governors support increased federal funding for Perkins' programs.

**13.4.1 State Leadership.** Governors support the strong role for state leadership in Perkins. This role can only be maintained with adequate resources for administration, leadership, and innovation. Governors oppose any reduction in the federal commitment to fund and support this important state role.

**13.4.2 Federal and State Alignment.** The goals and objectives of career and technical education should align with other federal education and workforce development programs to promote lifelong learning opportunities, work readiness, and school readiness. Furthermore, Governors believe that career and technical education programs must complement the academic mission of the No Child Left Behind (NCLB) Act. In recognizing the importance of coordination and alignment among different federal programs, Governors support aligning Perkins with NCLB and eliminating duplicative reporting requirements fulfilled by NCLB.

**13.4.3** **Teacher Preparation.** Governors believe that career and technical education programs and career and technical education teacher certification requirements should reflect the need to better integrate career and academic curriculum and integrate career professionals into the career and technical education teaching corps.

**13.4.4** **State Flexibility.** Congress should maintain and enhance the flexibility to fashion career and technical education programs to meet each unique state situation. Governors support continuing and enhancing the flexibility currently allowed under Perkins, such as allowing states to determine the allocation of funds between secondary and postsecondary institutions. Congress also should continue to give states the authority to combine Tech Prep with Basic State Grants.

**13.4.5** **State Accountability.** Federal policy should continue to recognize the critical state role of determining and setting performance standards and other measures to ensure student success in career and technical education programs. Governors support the use of state determined accountability measures.

**13.4.6** **Paperwork Reduction: State Plans.** Governors recognize the important objectives sought by the different provisions within Perkins. However, Governors believe that states should be able to file a single unified plan to substantially reduce the paperwork burden on state agencies and to increase collaboration between Perkins' programs.

**13.4.7** **Data Collection and Maintenance.** Governors recognize the importance of having reliable and useful data to measure student performance in career and technical education programs. Congress should allot additional federal resources to develop, maintain, or support state data systems to comply with Perkins. To this end, Congress must cover any increase in the cost of administering or implementing new federally mandated data requirements.

**13.5 Higher Education Act of 1965**

It is essential that postsecondary institutions keep pace with the ever-changing global economy and reforms implemented in elementary and secondary education. While the Higher Education Act of 1965 expanded opportunities for students, reform to the larger postsecondary system has been slow and graduation rates remain relatively stagnant. Governors urge the 110th Congress to reauthorize HEA and to strengthen the state-federal partnership in postsecondary education to serve the nation well into the 21st century.

**13.5.1** **Higher Education Act Principles.** HEA provides the statutory framework for a wide range of student financial assistance that enables expanded access by all students to higher education institutions; ensures affordability for low- and moderate-income families; and provides for federal programs to strengthen graduate education, minority-serving institutions, and international education. Governors recommend the following principles for HEA reauthorization.

- Support state strategies to improve enrollment and completion of postsecondary education.
- Make college more affordable for students.
- Simplify forms for the complex program of student financial assistance.
- Build state capacity and provide technical assistance and flexibility to states to increase accountability in the system.
- Recognize the growing need for services and supports for nontraditional students to be successful.

**13.5.2** **College Affordability for All Students.** Maximum flexibility in the preparation and access to college for all students is essential to a fair, equitable, and successful American education system. Governors believe the federal government should focus its resources on ensuring access and equal opportunity for all students in HEA. Moreover, the nation's Governors recognize the vital importance of financial aid programs to make college education more affordable for students, including part-time and nontraditional students. In addition, Governors support a strong federal commitment to ensure affordability through both federal grant aid and loan programs. Congress should work to ensure that federal higher education assistance substantially defrays education costs. Governors also appreciate that student loan consolidation provides students with another mechanism to address college affordability.

### 13.5.3 Financial Aid for Students

**13.5.3.1** **Pell Grants and Need-Based Financial Aid for Students.** Governors recognize the value of need-based financial aid programs, such as Pell Grants. Governors are concerned with the historical inadequate funding of Pell Grants to provide the maximum allowable awards to eligible students and believe that Congress should consider raising the Pell Grant maximum. Governors believe that the federal government should review the Pell Grant program to ensure that the purchasing value of this grant has not diminished over time. Congress also should fund an enhanced Pell Grant for those students graduating in the top 10 percent of their high school class for the first two years of college, as long as there is no reduction in the total number or size of grants awarded to other Pell Grant recipients.

The Pell Grant program should be modernized to reflect the varied needs of today's high school and postsecondary school students, including independent students and those attending less than half time. Governors also support extension of Pell Grants for students whose educational pursuits extend beyond the typical calendar year. Pell Grant eligibility should extend to summer classes and mid-term classes to allow these students to pursue their studies throughout the year.

**13.5.3.2** **Access for Nontraditional Students.** Governors recognize the diversity of today's postsecondary students. Governors support the removal of barriers within the financial aid systems that make it difficult for part-time, financially independent, or nontraditional students to qualify for financial aid.

**13.5.4** **Form and Program Simplification.** Governors believe that the current federal, state, and private student financial assistance programs have provided unprecedented opportunities for students in America. However, the array of federal, state, and private scholarships, grants, loans, tax breaks, and work-study programs presents a complex and often confusing set of choices for students. The reauthorization of HEA should require coordination and collaboration between federal agencies to simplify the application process and forms, to utilize information technologies to facilitate navigation among the many choices and opportunities, and to strengthen the role of state-based guarantee agencies in the financial aid process. Additional transparency and education about the Pell Grant award process, as well as other programs of financial aid, should be encouraged.

Moreover, Governors believe that the administrative burdens and excessive regulations associated with the federal student financial aid process must be substantially improved for students, institutions of higher education, and states.

**13.5.5** **Postsecondary Accountability.** Accountability of higher education institutions is an important issue for Governors, and the federal government should defer to the states' leadership in this area. Governors are working with postsecondary institutions to improve postsecondary student completion, to increase alignment between secondary and postsecondary education, and to ensure that students graduate prepared for the 21st century workforce. For this reason, any HEA accountability system should be defined by the state.

**13.5.6** **Accountability for Teacher and School Leader Preparation Programs.** HEA reauthorization should support state-led reforms in the preparation, training, and professional development of the next generation of the nation's teachers and school leaders. Governors have taken the lead in their states advocating stricter standards for teacher preparation and performance. Governors urge the federal government to defer setting national standards, and instead allow states to give their own teacher preparation programs an opportunity to demonstrate their effectiveness. However, Congress should support and build on state reforms to expand accountability for teacher preparation programs and to align NCLB standards with HEA Title II programs.

**13.5.7** **Coordination with Workforce Programs.** An educated workforce is an essential element of a state's success in the new economy, and effective postsecondary education is a key factor for a successful economic development program today. Congress should strengthen the ties between postsecondary institutions and workforce programs by coordinating programs at the U.S. Department of Labor and the U.S. Department of Education that address workforce training and preparation.

**13.5.8** **Loan Forgiveness for Teachers.** Governors support congressional efforts to expand student loan forgiveness for teachers, specifically those teachers working in hard-to-staff schools, including schools identified as in need of improvement, or those teachers working in critical shortage areas, such as special education, mathematics, reading, and science.

**13.5.9 Encouraging Families to Save for Their Children's Higher Education.** Governors have taken the initiative in establishing college savings plans in their states that increase affordability of a postsecondary education for middle-income families. These programs should be supported and encouraged in the reauthorization of HEA according to the following principles of a federal-state partnership.

- College savings incentives at the federal level should be designed to simulate and complement, rather than preempt, similar policy initiatives by states and public and private higher education institutions.
- Congress should strive to simplify the tax code as it relates to college savings and tax credits wherever possible. An overly complex system can dissuade those most in need of financial aid from pursuing it.
- Reduced revenue resulting from tax incentives for savings for higher education should not lead to reductions in other vital federal higher education programs.

Related Policy: ECW-15, Principles of Federal Preschool-College (P-16) Alignment

*Time limited (effective Winter Meeting 2007–Winter Meeting 2009.*
*Adopted Winter Meeting 1998; reaffirmed Winter Meeting 2000; revised Winter Meeting 2001, Winter Meeting 2003, Winter Meeting 2005, Winter Meeting 2006, Annual Meeting 2006, and Winter Meeting 2007 (formerly Policy HR-44).*

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## ECW-15. PRINCIPLES OF FEDERAL PRESCHOOL-COLLEGE (P-16) ALIGNMENT

### 15.1 Preamble

In the 110th Congress, three of the five major education laws—the No Child Left Behind (NCLB) Act, Head Start, and the Higher Education Act (HEA)—are scheduled for reauthorization. Congress recently reauthorized the Individuals with Disabilities Education Act (IDEA) and the Carl D. Perkins Career and Technical Education Act (Perkins). Given the confluence of these significant education reauthorizations, and the increasing need for our nation's students to be prepared for and competitive in a changing global society, Congress should take this unprecedented opportunity and make every effort to align the federal education laws, as well as support state efforts to create an educational continuum from preschool through college, commonly referred to as P-16 alignment.

The nation's Governors have taken the lead in recognizing each state's fundamental responsibility for a seamless progression in education for citizens from their earliest years through college and into lifelong learning. Governors are leading efforts to oversee the integration of early childhood, elementary, secondary, and postsecondary education, including creating and strengthening statewide P-16+ councils (early childhood through college or beyond), or other collaborative efforts. Governors also are leading efforts to better monitor and assess student success throughout their education experience. Recognition of the need for a seamless educational system is important in fashioning education policies at the federal, state, and local level. Congress should align federal education laws so that they relate to, support, and build upon each other. Federal education laws should no longer be silos but instead aligned to encourage, fund, and provide technical assistance for capacity building towards education to workforce alignment. Federal and state education reform must be systemic, coordinated, and aligned for student needs.

Federal P-16+ alignment is not a one-size-fits-all mandate—it is the alignment of existing and future federal laws. If the federal government has issued laws, such as IDEA, Perkins, or NCLB, then work should be done to ensure that federal education laws coordinate, support, and align to one another. Congress should refrain from establishing any federal mandates to ensure maximum state and local flexibility to create P-16+ systems, and instead Congress and the Administration should promote capacity building through research, technical assistance, and regulatory and statutory alignment. Governors are committed to alignment. The role of the federal government should be focused on capacity building and the alignment of federal regulations and laws.

Alignment of federal P-16+ laws has the potential to improve education for students of all ages, eliminate unnecessary government bureaucracy, reduce costly duplication, align academic rigor and preparation, facilitate transitions from one level of education to the next, expand system-wide accountability, and promote flexibility for innovation. For these reasons, Governors believe that the following principles of federal P-16+ alignment should be incorporated in reauthorizations of Head Start, NCLB, Perkins, HEA, IDEA, and related regulations and laws.

### 15.2 Principles of Federal P-16+ Alignment

- **Support state efforts to create P-16+ educational systems.** The federal government should recognize differences among states and support state innovation to create P-16+ education systems, as well as refrain from setting any broad sweeping federal mandates on states. Congress should support the state creation of strong P-16+ councils and other collaborative efforts, as well as the development of state databases to collect longitudinal data on students' academic progress throughout the P-16+ system. Allowing states to align their education systems to their economic needs and priorities and to develop related state-specific accountability outcomes is key to P-16+ alignment.
- **Allow states the option to coordinate federal education funds.** Governors should be given greater authority to coordinate federal funds within education programs and across grade levels to create aligned P-16+ systems to better serve students' unique and diverse needs.

- **Align federal data reporting requirements.** The U.S. Department of Education and related agencies should continue to work to coordinate and simplify efforts to collect data from states. Aligned federal data reporting requirements can support state data systems, simplify data collection, and reduce duplication. Existing federal data sets should be comparable from age-to-age and state-to-state. Duplication should be eliminated by Congress. The cost of any federally mandated data reporting requirements, including systems and personnel, should be fully covered by the federal government.
- **Support state efforts to build the data capacity to track student progress from early childhood through postsecondary school or the workforce.** Exemplary state data systems provide student-level information for accountability purposes, improve teaching and learning, and inform resource allocation decisions. Longitudinal data systems are often complex and costly to implement. The federal government should provide states with strong technical assistance to build these sophisticated data systems.
- **Expand educational options and delivery methods for all students.** Students at all levels learn in a variety of formats, methods, and settings. Federal education policy and alignment efforts should support students' diverse learning needs as determined by states.
- **Support state-level P-16+ accountability systems.** Exemplary state-level P-16+ accountability systems hold all levels of the education system accountable for student progress and achievement. The federal government should adhere to state efforts to accomplish this through their rigorous state-determined accountability systems.
- **Centralize educational governance with Governors.** Governors are the chief executive officers of states and are responsible for the education of their citizens. Unfortunately, federal laws and regulations sometimes undermine, dilute, or create barriers to state efforts to align education programming. Congress should recognize and reinforce Governors' authority over education in their states.

Related Policies:

ECW-2, Education Reform
ECW-4, Early Education: Head Start and Other School Readiness Programs
ECW-8, Individuals with Disabilities Education Act
ECW-13, High School Reform to Lifelong Learning: Aligning Secondary and Postsecondary Education
ECW-14, Public Charter Schools

*Time limited (effective Winter Meeting 2007–Winter Meeting 2009).*
*Adopted Winter Meeting 2005; revised Winter Meeting 2007.*

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